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General Assembly

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Sixty-sixth session
Agenda item 156
Financing of the United Nations Observer Mission in Georgia

Financing of the United Nations Observer Mission in Georgia

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report on the final disposition of the assets of the United Nations Observer Mission in Georgia (UNOMIG) (A/66/569). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information.

2. The mandate of UNOMIG was established by the Security Council in its resolution 858 (1993), expanded in its resolution 937 (1994) and extended until 15 June 2009 in its resolution 1866 (2009). The mandate of the Mission was not extended beyond 15 June 2009. Activities to liquidate the Mission, including the disposition of its assets, commenced for a four-month period from 1 July 2009 and were completed on 31 October 2009.

II. Final disposition of assets

3. The report of the Secretary-General provides detailed information on the final disposition of assets, which had an inventory value of $22,710,000 (residual value of $7,599,600) as at 1 July 2009. As explained in paragraph 3 of his report, the Secretary-General indicates that the process of liquidating the assets of UNOMIG was guided by the principles and policies contained in regulation 5.14 of the Financial Regulations and Rules of the United Nations. For the purposes of the liquidation, the assets were categorized in three groups (A/66/569, table 1).

4. Group I includes assets identified as meeting the requirements of peacekeeping operations or United Nations activities funded from assessed contributions. The items have an inventory value of $10,734,600 (residual value of $3,980,400) and

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have been transferred to other missions or to the United Nations Logistics Base at Brindisi, Italy, for temporary storage.

5. Group II includes assets disposed of in the mission area with an inventory value of $6,667,200. The group comprises assets with an inventory value of $3,667,100 (residual value of $1,106,900) transferred to the Office of the United Nations High Commissioner for Refugees (UNHCR) in Georgia as well as assets with an inventory value of $3,000,100 (residual value of $821,900) disposed of through commercial sale at a total sale value of $363,700.

6. The Advisory Committee notes that regulation 5.14 stipulates that equipment not required for current or future peacekeeping operations or other United Nations activities funded from assessed contributions but which may be useful for the operations of other United Nations agencies, international organizations or non-governmental organizations will be sold to such agencies or organizations. The Committee further notes that equipment with an inventory value of $3,000,100 was transferred to UNHCR in Georgia at no cost. Upon enquiry, the Committee was informed that the bulk of the assets were containers and associated items such as air conditioners and heaters used in the Mission's offices in Sukhumi and located on privately leased land. The assets had been offered to other missions but had been declined and an analysis had shown that the cost of shipping them to Brindisi for storage was prohibitively high, hence their not being categorized as group I.

7. The Advisory Committee was further informed that UNHCR, as the lead agency for the United Nations country team, had agreed to take over the lease of the Mission compound and the assets. It was indicated, however, that the Office expressed its inability to pay for the assets, even at their residual value. It was also indicated that any commercial sale would not have yielded a net gain to the Organization but instead, would have entailed possible additional expenditure for disposal of the assets. The assets were therefore transferred, on an exceptional basis, at no cost to UNHCR in accordance with financial rule 105.22 (e), which, inter alia, states that "the interests of the United Nations will be served through the disposal of the property by gift or by sale at nominal price to an intergovernmental organization, a Government or governmental agency or some other non-profit organization". **The Committee notes the justification provided for the transfer of assets at no cost to UNHCR. The Committee, however, maintains that every effort should have been made to at least obtain nominal value in return for the transfer of the Organization's assets to another entity.**

8. With regard to the wide disparity between the residual value and the sale value of the assets that had been disposed of by commercial sale, the Advisory Committee was informed that the residual value had been calculated based on the depreciation scales established in annex H of the Liquidation Manual while the sale value reflected local market conditions and that the sale price had been determined through a competitive bidding process. It was also indicated that in order to ensure that asset disposal through commercial bidding attracted sufficient bidding interest, setting a floor price of the assets based on residual values was not required. The Committee was also informed that the residual values of the United Nations assets were intended to be a standardized set of values to allow for uniformity of asset management in field missions. **While the Committee concurs that residual values do not represent the sale value, the wide disparity between them, in the case of UNOMIG, calls into question the usefulness of the residual value as an**

appropriate indicator of the monetary worth of the assets. Citing an instance where nine laptop computers with a total inventory value of $18,771 (residual value of $5,895) were sold for $240, the Committee questions whether the objectives of the Organization might not have been better served by donating such equipment to local institutions.

9. Group III includes assets that have been written off mainly as a result of accidents, damage, normal wear and tear, or because it was not economical to repair them. These assets have a total inventory value of $5,308,200 (residual value of $1,690,400) and include assets of an inventory value of $57,200 that were reported lost.

10. The Advisory Committee notes that the assets of $5.3 million in the written-off or lost category represented 23 per cent of the total inventory value of UNOMIG assets. Upon request, the Committee was provided with a comparison of UNOMIG and six recently closed peacekeeping missions, namely, the United Nations Mission in Ethiopia and Eritrea (UNMEE), the United Nations Operation in Burundi (ONUB), the United Nations Mission of Support in East Timor (UNMISET), the United Nations Assistance Mission for Rwanda (UNAMIR) and the United Nations Mission in the Central African Republic (MINURCA) (see annex). Excluding UNMEE, which at 53 per cent had an inordinately high percentage of assets written off or lost, the Committee notes that the average percentage of assets written off or lost was 12.2 per cent. **The Committee notes the high percentage of assets reported by UNOMIG as written off or lost as compared with other recently closed peacekeeping missions. In addition, the Committee recalls the concern raised by the Board of Auditors about the deficiencies in the physical verification of assets (A/65/5 (Vol. II, para. 126)). In that regard, the Committee maintains that the proper accounting of assets must be ensured throughout the life cycle of missions to avoid increased incidence of the assets being reported as written-off or lost by missions at the liquidation phase.**

11. Upon enquiry, the Advisory Committee was informed that the assets written off had exceeded their life expectancy and had not been considered for transfer to other missions. It was further indicated that the average age of the assets written off due to normal wear and tear during the liquidation period had been 10.5 years, resulting in an increase of write-off activities during the liquidation period. With regard to the mine-detecting equipment with an inventory value of approximately $51,000 which was written off, the Committee was informed that its average age was 14 years and it was considered either as not being in good condition or as having less than two years of remaining useful life. Transferring such equipment would not have been economical considering the cost of shipping and the cost of maintenance while the assets remained in storage. The Committee was also informed that the equipment had been destroyed and sold as scrap.

12. The Advisory Committee notes that none of the assets in group III were donated to the Government of Georgia. Upon enquiry, the Committee was informed that generally, assets were donated to host Governments if they met certain criteria, such as promoting the goals of the mission after the completion of its mandate. The Committee was further informed that the assets also had to be deemed acceptable by the host Government and not require high maintenance costs. Based on the acceptance of the host Government, the proposed donation would then be approved by the General Assembly in compliance with financial regulation 5.14 (e). It was

indicated that because UNOMIG did not have many assets that met these criteria and because its liquidation period was relatively short, no assets were proposed for donation.

III. Recommendation

13. The action to be taken by the General Assembly in connection with the final disposition of the assets of UNOMIG is indicated in paragraph 9 of the Secretary-General's report (A/66/569). **Subject to its comments contained in the preceding paragraphs, the Advisory Committee recommends acceptance of the Secretary-General's proposal.**

Annex

Comparison of disposed assets in groups I and III for recently closed peacekeeping missions

(Thousands of United States dollars)

Document symbol	*Peacekeeping mission*	*Group I: assets transferred to other missions* (1)	*Per cent of total value* (1)/(5)	*Group III: assets written off or lost* (4)	*Per cent of total value* (4)/(5)	*Total inventory value of disposed assets* (5)
A/66/569	UNOMIG	10 735	47	5 308	23	22 710
A/65/678	UNMEE	17 459	31	30 336	53	57 034
A/63/551	ONUB	51 337	87	3 080	5	59 152
A/62/756	UNAMSIL	37 723	61	3 164	5	61 909
A/60/703	UNMISET	25 903	47	4 332	8	55 251
A/57/753	UNAMIR	38 352	59	5 895	9	64 473
A/57/631	MINURCA	6 545	53	2 863	23	12 467

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Report of the Advisory Committee on Administrative and Budgetary Questions

Corrigendum

Paragraph 6, second sentence

For the existing text *substitute*

The Committee further notes that assets with an inventory value of $3,667,100 were transferred to UNHCR in Georgia at no cost.

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Sixty-sixth session
Agenda items 146 and 148

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Mission in the Central African Republic and Chad

Budget performance report of the United Nations Mission in the Central African Republic and Chad for the period from 1 July 2010 to 30 June 2011

Report of the Advisory Committee on Administrative and Budgetary Questions

Apportionment for 2010/11	$239,096,600
Expenditure for 2010/11	$236,252,300
Unencumbered balance for 2010/11	$2,844,300

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I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the financial performance report of the United Nations Mission in the Central African Republic and Chad (MINURCAT) for the period from 1 July 2010 to 30 June 2011 and, where appropriate, has made observations and recommendations below.

2. The general report of the Advisory Committee on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (to be issued under the symbol A/66/718) contains its views and recommendations on a number of cross-cutting issues. In the present report, the Committee deals with resources and other items that relate specifically to MINURCAT.

3. In considering the report on the budget performance of MINURCAT for the period from 1 July 2010 to 30 June 2011 (A/66/646), the Advisory Committee has taken into account the recommendations of the Board of Auditors related to the Mission (see A/65/5 (Vol. II), chap. II) as referred to in paragraphs 27 and 28 below. A separate report of the Committee on the findings of the Board will be issued as document A/66/719. **The Committee continues to stress the value of the findings of the Board of Auditors and reiterates the need to implement its recommendations within the time frames specified by the Secretary-General.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of MINURCAT are listed at the end of the present report.

5. The mandate of MINURCAT was established by the Security Council in its resolution 1778 (2007) and extended in subsequent resolutions, in which the Mission was mandated to help create security conditions conducive to the voluntary, secure and sustainable return of refugees and displaced persons in eastern Chad and the north-eastern area of the Central African Republic.

6. By its resolution 1923 (2010), the Security Council decided on a final extension of the mandate of MINURCAT until 31 December 2010 and called upon the Secretary-General to complete the withdrawal of all uniformed and civilian components of the Mission, other than those required for its liquidation, by 31 December 2010.

II. Budget performance report for the period from 1 July 2010 to 30 June 2011

7. In accordance with Security Council resolution 1923 (2010), the budget performance period ended 30 June 2011 was marked by the drawdown and closure of the Mission and the completion of its administrative liquidation on 30 April 2011. In this connection, all military personnel were repatriated, international staff were reassigned to other missions or returned to their home countries or parent organizations and Mission assets were disposed of in accordance with the Financial Regulations and Rules of the United Nations.

8. By its resolution 65/254 A, the General Assembly decided to appropriate an amount of $239,096,600 gross ($234,629,600 net) for the 2010/11 period, inclusive

of $205,748,500 gross ($202,016,600 net) for the maintenance of the Mission for the period from 1 July to 31 December 2010 and $33,348,100 gross ($32,613,000 net) for its administrative liquidation for the period from 1 January to 30 April 2011, taking into account the amount of $215 million previously authorized for the maintenance of the Mission for the period from 1 July to 31 December 2010 under the terms of Assembly resolution 64/286.

9. Subsequently, in its resolution 65/254 B, the General Assembly decided to defer until its sixty-sixth session action on the unencumbered balance of $149,947,800, as well as other income and adjustments in the amount of $13,466,100 and the increase of $1,527,100 in the estimated staff assessment income, and requested the Secretary-General to report to it at its sixty-sixth session updated information on the cash position of the Mission.

10. Expenditures for the period totalled $236,252,300, resulting in an unencumbered balance of $2,844,300, which represents, in gross terms, 1.2 per cent of the total apportionment. Detailed information on resource performance is provided in section III of the report of the Secretary-General, and a detailed analysis of the variances is provided in section IV of the report.

11. Underexpenditure was incurred under, inter alia:

(a) Facilities and infrastructure ($5,529,700, or 10.1 per cent of the apportionment), attributable primarily to reduced requirements in respect of petrol and lubricants, maintenance services and security services owing to the earlier than anticipated closure of the Mission, partially offset by additional requirements for construction services owing to the reinstatement of some 2009/10 obligations in connection with the completion of the construction of infrastructure projects in support of the Détachement intégré de sécurité (DIS);

(b) Ground transportation ($4,478,400, or 71.4 per cent of the apportionment), attributable primarily to reduced requirements stemming from the earlier than anticipated return of vehicles to the Mission's storage facilities because of the separation and reassignment of staff in the context of the closure and administrative liquidation of the Mission;

(c) Air transportation ($8,577,400, or 14.4 per cent of the apportionment), attributable primarily to reduced requirements with respect to the rental and operation of the Mission's aircraft fleet owing to the earlier than anticipated depositioning of aircraft as well as the higher than anticipated volume of air operations in the eastern part of Chad, which involved no ground handling charges;

(d) Other supplies, services and equipment ($2,915,000, or 20.3 per cent of the apportionment), attributable primarily to reduced requirements for freight and related costs owing to the lower than budgeted cost of shipping Mission assets out of Chad as receiving missions covered the related freight costs; reduced requirements for mine detection and clearance services due to the implementation of the demining contract at a lower cost by the United Nations Office for Project Services, as well as a decreased quantity of rations for aircrews owing to the utilization of small passenger aircraft with smaller crews.

12. Overexpenditure was incurred under the following:

(a) Military contingents ($3,113,500, or 6.8 per cent of the apportionment), due primarily to additional requirements with respect to freight owing to the higher

than budgeted cost of repatriation of contingent-owned equipment as well as the recording of 2009/10 freight charges in 2010/11; additional requirements for repatriation travel owing to a higher than budgeted number of contingent personnel repatriated at a higher cost of airfare; and increased requirements for mission subsistence allowance owing to the higher after-30-days subsistence allowance rate of $252 per person per day compared to the budgeted $170 per person per day. Upon enquiry, the Advisory Committee was informed that the significant increase in expenditure recorded in June 2011 was attributable primarily to the repatriation of military contingents and contingent-owned equipment based on claims received and confirmed after the Mission's closure. It was further indicated that in some cases the claims were for repatriations carried out in prior financial periods;

(b) International staff ($13,234,900, or 40.7 per cent of the apportionment), attributable primarily to the higher than budgeted requirements for international staff salaries and related costs because the budget estimates for the Field Service category of staff had been based on the 2009/10 salary scale and the higher than anticipated cost of termination indemnity and relocation grant payments, partially offset by reduced requirements with respect to hazardous duty station allowance for staff relocated to N'Djamena (see para. 17 below);

(c) National staff ($1,005,200, or 13.6 per cent of the apportionment), due primarily to the slower than anticipated separation of national staff and the reclassification of national staff posts, resulting in retroactive payments to 156 post incumbents (see paras. 18-21 below);

(d) Official travel ($1,135,200, or 117.1 per cent of the apportionment), attributable primarily to additional requirements with respect to non-training-related official travel owing to increased within-mission travel by staff in connection with liquidation activities and the travel of staff from other missions on temporary duty assignment to assist MINURCAT (see para. 22 below).

13. As indicated in section III.B of the report of the Secretary-General, funds in the amount of $18.8 million were redeployed from operational costs to cover freight charges for the shipment of contingent-owned equipment under military and police personnel ($3.8 million) and to accommodate additional requirements under international and national staff ($15.0 million). **While giving due consideration to the unique challenges that were faced in the liquidation and closure of MINURCAT, the Advisory Committee nonetheless concurs with the recommendation of the Board of Auditors that the existing monitoring and review of budgetary redeployments be enhanced (A/66/5 (Vol. II), chap. II, para. 49). The Committee intends to make further detailed comments on the subject of redeployment in the context of its report on the administrative and budgetary aspects of the financing of the United Nations peacekeeping operations.**

III. Financial position

14. The information provided by the Secretary-General indicates that, as at 27 January 2012, a total of $1,484,727,200 had been assessed on Member States in respect of MINURCAT since its inception. Payments received as at that date amounted to $1,466,368,600, leaving an outstanding balance of $18,358,600. The Advisory Committee recalls the repeated calls by the General Assembly for all

Member States to pay their assessed contributions in full, on time and without conditions (see Assembly resolutions 65/293, 64/243, 62/236, 56/253 and 54/249).

15. As at 31 December 2011, the cash available to the Mission amounted to $184,014,000. The information provided by the Secretary-General indicates that the troop-contributing countries had been fully reimbursed as at that date. The Advisory Committee was informed that the cash requirements as at that date amounted to $55,767,000, comprising contributions or payments received in advance, unliquidated obligations, including prior-period obligations, and other accounts payable, leaving a net amount of $128,247,000 available to be returned to Member States.

16. According to the information provided, the credits due to Member Sates for the period ended 30 June 2010 amounted to $163,413,900, which comprised an unencumbered balance of $149,947,800 and other income and adjustments in the amount of $13,466,100. The Advisory Committee recalls that in its resolution 65/254 B, the General Assembly decided to defer action on those balances until its sixty-sixth session. The excess of credits due to Member States ($163,413,900) over the amount of cash available for return to them ($128,247,000) represents a cash shortfall of $35,166,900 as at 31 December 2011. The updated financial position of the Mission as at 31 December 2011 is summarized in annex I, table 1, below.

IV. Other matters

Overexpenditure under international staff

17. The Advisory Committee notes that the overexpenditure of 40.7 per cent under international staff was attributable mainly to the use of the 2009/10 salary scale for Field Service staff instead of the 2010/11 scale owing to an oversight during the preparation of the Mission's 2010/11 budget. **The Committee regrets this incorrect application of the salary scale and calls for the utmost diligence in the formulation of the budget estimates to avoid its recurrence.**

Overexpenditure under national staff

18. Upon enquiry, the Advisory Committee was informed that the overexpenditure of $1,005,200 with respect to national staff had been due mainly to the variance between the salary scale used in the budget compared with the actual grade levels of personnel in the Mission ($646,200); higher than budgeted requirements for termination indemnities ($20,300); overtime ($90,300); and the impact of the slower than anticipated drawdown of personnel ($248,400).

19. The Advisory Committee was further informed that the variance between the grade levels used in the budget compared with the actual grade levels was attributable primarily to the reclassification of national staff posts, which had resulted in retroactive payments to 156 incumbents at higher grade levels following a comprehensive review undertaken by the Mission. The Committee was also informed that during the start-up of the Mission, a tiger team that included three staff members (1 Professional and 2 Field Service) dedicated to the recruitment of national staff had been deployed to MINURCAT to expedite recruitment activities. It was stated that a generic vacancy announcement listing all vacant positions in the Mission had been published without the grade levels having been determined. It was

also stated that the recruitment team had reviewed applications and made offers based on the qualifications of the applicants and not on the requirements of the posts.

20. It was further indicated that this incorrect application of the grading guidelines had resulted in some inequities that the Department of Field Support had endeavoured to rectify by advising the Mission to conduct a review of the posts. However, because of the difficulties experienced by the Mission during its start-up phase, it was not possible to proceed with the exercise until July 2010, when a consultant was engaged for this purpose. The grading issue led to a labour dispute, with national staff going on strike and engaging legal counsel, with resulting pressure to continue the exercise to its conclusion despite the Mission already being in liquidation.

21. **The Advisory Committee expresses serious concern at the manner in which the recruitment exercise for the national staff of MINURCAT was conducted as well as its implications for the Mission's budget and the Organization's image. In this connection, the Committee calls for more judicious exercise of the delegation of recruitment authority. In addition, the lessons learned in this regard should be shared appropriately in the light of the ongoing conversion of international and Field Service posts to national posts across peacekeeping missions.**

Official travel

22. In the performance report, the Advisory Committee notes the overexpenditure of 117.1 per cent under official travel due primarily to increased travel in relation to the liquidation of the Mission. Upon enquiry, the Committee was informed that the additional requirements with respect to non-training-related travel of $1,353,100 pertained to within-mission travel ($749,300) and travel outside the mission area ($603,800), which included travel of staff from other missions and from Headquarters to backstop critical functions and provide support to the Mission in the context of its closure and liquidation activities. **As indicated in its previous report (A/65/743/Add.11, para. 9 (d)), the Committee reiterates the need for the prudent utilization of travel funds. In addition, recalling its comments in the same report (ibid., para. 16), the Committee is of the view that efforts should have been made to retain staff required for the liquidation of the Mission so as to avoid the increased requirements, especially those due to the travel of staff to support the Mission.**

Implementation of activities handed over at the termination of the Mission's mandate

23. Upon enquiry, the Advisory Committee was provided with updates on the status of some activities that were handed over to the Mission's partners at the time of the termination of its mandate. The activities included the construction of police posts, the provision of support to DIS and the drilling of wells for clean water.

24. The Secretary-General also indicates in the performance report that the construction of 6 police stations and 13 police posts had not been completed by the vendor as at 30 June 2011. Upon enquiry, the Advisory Committee was informed that a team from the Department of Field Support had visited Chad in November 2011 to assess the status of the construction. It was determined that 7 of the 19 sites had been completed, and they have since been handed over to the Government of Chad. The Committee was further informed that the status of completion for the 12 sites still in progress varied between 17 and 60 per cent and that another inspection visit would be undertaken in the near future. The Committee was also informed that

subsequent to the inspection visit, payments for the work completed so far were being processed and that the balance of obligations for the unpaid contractual work was $11.5 million as at 30 June 2011. **The Committee encourages the close monitoring of that pending construction project.**

25. According to information provided to the Advisory Committee, support to DIS will be provided by the United Nations country team through a joint programme of the United Nations Development Programme and the Office of the United Nations High Commissioner for Refugees (UNHCR), the terms of which the Government agreed upon on 25 February 2011, although activities to ensure the continuity of DIS operations, such as the new trust fund arrangement, had commenced as from 1 January 2011. It was also indicated that the conditions for the continued support of the United Nations to DIS had been agreed upon by the respective parties. **The Committee welcomes the establishment of this support mechanism, which should facilitate the role of DIS in fulfilling the objective of maintaining a secure environment in eastern Chad.**

26. The report of the Secretary-General indicates that 19 projects to dig or drill water wells had not been completed. Although the contract had been awarded and 4 community wells had been completed, work on 15 wells related to DIS had not commenced. Upon enquiry, the Advisory Committee was informed that a total of $728,527 had been obligated for the well-digging projects and that UNHCR had agreed in principle to review the continuation of the projects.

Implementation of the recommendations of the Board of Auditors

27. The Advisory Committee notes the comments on the implementation of the recommendations of the Board of Auditors contained in section VII of the report of the Secretary-General. With regard to the actions taken to recover approximately $1.5 million in aviation services that had been provided to other United Nations agencies (see A/65/5 (Vol. II), chap. II, para. 246), the Committee was informed that $1.2 million had been recovered so far, while the remaining $0.3 million had been recorded as a receivable, with efforts being made to ensure full recovery. **The Committee trusts that every effort will be made to recover the full amount as soon as possible.**

28. The Advisory Committee also notes the comments of the Board of Auditors regarding the validity of the environmental clearance certificates issued by MINURCAT during the decommissioning and decontamination of six Mission sites that were handed over (see A/65/5 (Vol. II), chap. II, para. 179). The Board, referring to an audit conducted by the Office of Internal Oversight Services, indicated that there were no signed certificates because an official of the Government had not been present at the inspections and that the certificates signed by regional governors were on MINURCAT letterhead, which affected their validity and could expose the Organization to future litigation. Upon enquiry, the representatives of the Secretary-General informed the Committee that the environmental indemnification certificates identified by the Board had been signed by the appropriate authorities, with MINURCAT letterhead used in accordance with the standard practice for liquidating missions, and that the certificates met all United Nations standards and as such were considered valid by the Department of Field Support. **The Committee takes note of this response, but is nonetheless surprised that the explanation is at variance with the observations made by the Board of Auditors. The Committee requests that appropriate action be taken to fully address the concerns raised by the Board so as to avoid reputational risk to the Organization.**

V. Conclusion

29. The actions to be taken by the General Assembly in connection with the financing of MINURCAT for the period from 1 July 2010 to 30 June 2011 are set out in paragraph 60 of the report of the Secretary-General. They include his proposal that the Assembly defer a decision on the treatment of the amount of approximately $60 million due to Member States.[1] Upon enquiry, the Advisory Committee was provided with an updated statement of the financial position of MINURCAT as at 31 December 2011 and an updated summary of the proposed action on assessments for the 2010/11 financial period (see annex I). The Committee was also provided with updated actions to be taken by the Assembly (see annex II).

30. Regarding the legal basis for the Secretary-General's proposal to retain the balance of $24.8 million until the General Assembly's consideration of the Mission's final performance report, the Advisory Committee notes that financial regulations 5.3, 5.4 and 5.5 require the unspent balance of appropriations to be surrendered. Upon enquiry, the Committee was informed that it was not possible to fully meet the requirements set out in those regulations because of the shortage of cash in the Special Account for MINURCAT. It was also indicated that since the regulations had been approved by the Assembly, a decision by the Assembly to defer action on the treatment of that balance until its consideration of the final performance report would in effect temporarily suspend the provisions of financial regulations 5.3, 5.4 and 5.5, thereby providing authorization for the Secretary-General to retain the balances until the cash position of the Mission improved.

31. **In view of its comments and observations contained in the preceding paragraphs, the Advisory Committee has no objection to the actions proposed by the Secretary-General, based on the information updated to 31 December 2011 (see annex II).**

Documentation

- Budget performance of the United Nations Mission in the Central African Republic and Chad for the period from 1 July 2010 to 30 June 2011 (A/66/646)
- Financial report and audited financial statements for the 12-month period from 1 July 2010 to 30 June 2011 and report of the Board of Auditors on United Nations peacekeeping operations (A/66/5 (Vol. II))
- Financial report and audited financial statements for the 12-month period from 1 July 2009 to 30 June 2010 and report of the Board of Auditors on United Nations peacekeeping operations (A/65/5 (Vol. II))
- General Assembly resolutions 65/254 A and B on the financing of the United Nations Mission in the Central African Republic and Chad
- Security Council resolution 1923 (2010)

[1] The updated amount as at 31 December 2011 is $24.8 million (see annex II, para. (f)).

Annex I

Updated summary of the financial position of the United Nations Mission in the Central African Republic and Chad as at 31 December 2011 and summary of proposed General Assembly action on assessments for 2010/11

Table 1

Updated summary of financial position as at 31 December 2011

(Thousands of United States dollars)

I. Cash assets	**184 014.0**
II. Cash requirements (liabilities)	
Contributions or payments received in advance	13 495.0
Accounts payable to Member States	—
Unliquidated obligations, including prior-period obligations	35 759.0
Other accounts payable and liabilities	6 513.0
Subtotal	**55 767.0**
III. Net cash available (I-II)	**128 247.0**
IV. Credits due to Member States for 2009/10 (resolution 65/254 B)	
(a) Unencumbered balance	**149 947.8**
(b) Other income:	
Interest income	4 199.8
Other/miscellaneous income	3 400.7
Cancellation of prior-period obligations	5 866.0
Prior-period adjustments	(0.4)
Subtotal	**13 466.1**
Credits due to Member States from 2009/10 (a+b)	**163 413.9**
V. Cash shortfall, 2009/10 (III-IV)	**(35 166.9)**
VI. Credits due to Member States for 2010/11	
Other income:	
Interest income	4 807.4
Other/miscellaneous income	11 712.3
Cancellation of prior-period obligations	31 037.5
Prior-period adjustments	(98.4)
Subtotal	**47 458.8**
Credits to be applied to the 2010/11 assessment shortfall	**(47 458.8)**
Total	—
VII. Cash shortfall, 2010/11 (V-VI)	**(35 166.9)**

Table 2

Proposed General Assembly action on assessments for 2010/11

(Thousands of United States dollars)

I. Assessment for 2010/11	
Appropriation	236 252.3
Already assessed (resolution 64/286)	(184 949.0)
Assessment shortfall	**51 303.3**
II. Application of credits due to Member States for the period ended 30 June 2011	(47 458.8)
Balance of assessments (I + II)	**3 844.5**
III. Partial application of credits due to Member States for the period ended 30 June 2010	(3 844.5)
IV. Appropriation for the support account for peacekeeping operations and the United Nations Logistics Base (resolution 64/286)	13 030.8
Already assessed for the support account for peacekeeping operations and the United Nations Logistics Base (resolution 64/286)	(6 515.4)
Assessment shortfall	**6 515.4**
V. Partial application of credits due to Member States for the period ended 30 June 2010	(6 515.4)
Additional assessment (II + III) and (IV + V)	—

Annex II

Additional information provided by the Secretary-General regarding updated actions to be taken by the General Assembly with respect to the United Nations Mission in the Central African Republic and Chad

The actions to be taken by the General Assembly in connection with the financing of MINURCAT are:

(a) To reduce the appropriation of $239,096,600 approved for the maintenance and administrative liquidation of the Mission for the period from 1 July 2010 to 30 June 2011 under the terms of General Assembly resolution 65/254 A by the amount of $2,844,300 to the amount of $236,252,300, equal to the expenditures incurred by the Mission during the period;

(b) Taking into account the amount of $184,949,000 previously assessed for the Mission for the period from 1 July 2010 to 30 June 2011 under the terms of resolution 64/286, to apply other income as at 31 December 2011 amounting to $47,458,800 from interest income ($4,807,400), other/miscellaneous income ($11,712,300) and cancellation of prior-period obligations ($31,037,500), offset by prior-period adjustments ($98,400), to the shortfall of assessments in the amount of $51,303,300 for the same period;

(c) To apply the amount of $3,844,500 of the unencumbered balance of $149,947,800 due to Member States in respect of the financial period ended 30 June 2010 to the balance of the shortfall in assessments in the same amount for the period ended 30 June 2011, representing the difference between the shortfall of assessments ($51,303,300) and other income ($47,458,800) for the same period;

(d) To apply the amount of $6,515,400 of the unencumbered balance of $149,947,800 due to Member States in respect of the financial period ended 30 June 2010 to the unassessed balance for the period ended 30 June 2011 in equal amounts to the support account for peacekeeping operations and the United Nations Logistics Base at Brindisi, Italy;

(e) To return credits to Member States in the amount of $128,247,000, representing the net cash available in the Special Account for the Mission as at 31 December 2011, of the unencumbered balance of $149,947,800 due to Member States in respect of the financial period ended 30 June 2010;

(f) To defer a decision on the treatment of the amount of $24,807,000, comprising the remaining unencumbered balance of $11,340,900 and other income in the amount of $13,466,100 due to Member States in respect of the financial period ended 30 June 2010, as well as the increase of $1,527,100 and $3,061,800 in the estimated staff assessment income for the periods ended 30 June 2010 and 30 June 2011, respectively, until consideration by the General Assembly of the final performance report for the Mission.

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Sixty-sixth session
Agenda item 155
Financing of the United Nations Mission in Ethiopia and Eritrea

Final performance report of the United Nations Mission in Ethiopia and Eritrea

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the final performance report of the United Nations Mission in Ethiopia and Eritrea (UNMEE) (A/66/560). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information.

2. The mandate of UNMEE was established by the Security Council in its resolutions 1312 (2000) and 1320 (2000), further adjusted by the Council in its resolution 1430 (2002) and extended by the Council in subsequent resolutions. By its resolution 1827 (2008), the Council decided to terminate the mandate of the Mission effective 31 July 2008.

3. Activities to liquidate the Mission, including the disposition of its assets, were carried out during the period from 1 August 2008 to 10 March 2009. Information on the final disposition of assets is contained in the Secretary-General's report of 30 December 2010 (A/65/678) and the views and comments of the Advisory Committee on the exercise are contained in its report (A/65/748).

II. Financial performance

4. In paragraphs 4 to 6 of his report, the Secretary-General provides a summary of the financial performance of UNMEE from its inception, on 31 July 2000, to 30 June 2011. Total income for the period amounted to approximately $1.56 billion and total expenditure amounted to $1.4 billion, which was partially offset by the

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amount of $62.1 million in cancellation of prior-period obligations, leaving an unencumbered balance of approximately $211 million.

5. Upon enquiry, the Advisory Committee was informed that the unencumbered balance represented the unutilized appropriations since the inception of the Mission. It was also indicated that, while every effort had been made to fully utilize the appropriations, the budget implementation rate had ultimately been determined by the situation on the ground and factors beyond the Mission's control. **The Advisory Committee accepts that there were specific circumstances faced by UNMEE which gave rise to the unencumbered balance. Nonetheless, the Committee is of the view that there are important lessons to be learned from the liquidation of UNMEE which need to be documented and taken into account by other liquidating missions.**

6. In paragraph 4 of his report, the Secretary-General indicates that total income was derived from assessed contributions ($1.53 billion); interest income ($19 million); and other/miscellaneous income ($5.7 million). He further indicates that the total amount of assessed contributions was fully appropriated by the General Assembly for the operation and maintenance of UNMEE.

7. In paragraph 5 of his report, the Secretary-General indicates that, of the approximately $211 million unencumbered balance realized by UNMEE, the credits returned to Member States amounted to approximately $200 million, leaving a fund balance in the amount of $11 million as at 30 June 2011.

8. After taking into account the outstanding assessed contributions (approximately $2 million) and other receivables, the cash available for return to Member States as at 31 December 2011 amounts to $8.99 million. **The Advisory Committee recalls the repeated calls by the General Assembly for all Member States to pay their assessed contributions on time, in full and without conditions (see General Assembly resolution 65/293).**[1]

Outstanding liabilities to Governments

9. The Advisory Committee notes that financial regulation 5.5 of the United Nations Financial Regulations and Rules allows for the obligations to Governments for troops, formed police units, logistical support and other goods supplied and services rendered to peacekeeping operations to remain valid for five years beyond the financial period to which they relate. Considering that the mandate of UNMEE was terminated effective 31 July 2008, the Committee notes that the issuance of the Mission's final performance report, and return of its unused cash balance to Member States, are being done before the expiration of the stipulated five-year period. **In that regard, the Committee is concerned how potential valid claims from troop- and police-contributing countries will be paid (see para. 11 below).**

10. Upon enquiry, the Advisory Committee was informed that the amount of cash available for return to Member States was determined on a net basis, thereby reserving sufficient cash for the future settlement of claims. The Committee was further informed that there were no pending claims for the reimbursement of Member States for troops, logistical support and other goods supplied or services rendered to UNMEE. With regard to death and disability claims, the Committee was

[1] See also resolutions 64/243, 62/236, 56/253 and 54/249.

informed that one death compensation claim in the amount of $50,000 had been submitted in February 2011 and was under review by the Office of Legal Affairs, for a legal opinion, before being processed. In addition, the Committee was informed that one compensation claim in the amount of $1,000 was pending the submission of supporting documentation by the Government concerned.

11. **The Advisory Committee trusts that in determining the amount of cash available for credit to Member States, adequate provision has been made to cover all outstanding liabilities arising from claims from Member States.**

Potential liabilities arising from assets abandoned in situ

12. Regarding the potential liabilities arising from the assets that had been abandoned in situ in Eritrea, the Advisory Committee recalls its comments contained in paragraph 9 of its report (A/65/748). The Committee was informed that the Organization would be absolved and indemnified from any future claims arising from the assets. **In the light of the unpredictable circumstances related to the termination of the mandate of UNMEE, the Advisory Committee concurs with the opinions expressed by the Board of Auditors with regard to the experiences of the United Nations Mission in the Central African Republic and Chad and the United Nations Mission in the Sudan (A/66/5 (Vol. II), para. 181) that all active missions should develop contingency liquidation plans.**

III. Conclusion

13. The action to be taken by the General Assembly in connection with the final performance report for UNMEE is contained in paragraph 7 of the report of the Secretary-General (A/66/560). **The Advisory Committee recommends acceptance of the Secretary-General's proposal to credit the cash balance as at 31 December 2011, in the amount of $8,986,000, to Member States.**

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Agenda item 146 and 160 (b)

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations peacekeeping forces in the Middle East: United Nations Interim Force in Lebanon

Budget performance for the period from 1 July 2010 to 30 June 2011 and proposed budget for the period from 1 July 2012 to 30 June 2013 of the United Nations Interim Force in Lebanon

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2010/11	$518,710,200
Expenditure for 2010/11	$518,692,300
Unencumbered balance for 2010/11	$17,900
Appropriation for 2011/12	$545,470,600
Projected expenditure 2011/12[a]	$545,160,800
Estimated unencumbered balance for 2011/12[a]	$309,800
Proposal submitted by the Secretary-General for 2012/13	$517,202,300
Recommendation of the Advisory Committee for 2012/13[b]	$517,020,600

[a] Estimates as at 23 February 2012 (see annex I).
[b] See para. 1 below.

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I. Introduction

1. **Subject to the provision to the General Assembly of updated information on the composition of the mission's air fleet, the recommendation of the Advisory Committee on Administrative and Budgetary Questions would entail a reduction of $181,700 in the proposed budget for the United Nations Interim Force in Lebanon (UNIFIL) for the period 1 July 2012 to 30 June 2013 (see para. 38 below). The Advisory Committee has made additional observations and recommendations, where appropriate, in the present report.**

2. The report of the Advisory Committee on cross-cutting issues related to United Nations peacekeeping operations is contained in document A/66/718. In the present report, the Committee deals with resources and other items that relate specifically to UNIFIL.

3. In considering the proposals of the Secretary-General for UNIFIL for the period from 1 July 2012 to 30 June 2013 (A/66/701 and Corr.1), the Advisory Committee has taken into account the recommendations of the Board of Auditors on United Nations peacekeeping operations for the period from 1 July 2010 to 30 June 2011 (see A/66/5 (Vol. II), chap. II) and has made specific comments thereon in paragraphs 39 and 40 below. The Committee's report on the report of the Board on the accounts of the United Nations peacekeeping operations for the financial period ended 30 June 2011 is contained in document A/66/719. **The Committee continues to stress the value of the findings of the Board of Auditors and reiterates the need for its recommendations to be implemented within the time frames specified by the Secretary-General.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNIFIL are listed at the end of the present report.

II. Budget performance for the period from 1 July 2010 to 30 June 2011

5. In its resolution 64/282, the General Assembly appropriated an amount of $518,710,200 gross ($507,713,700 net) for the maintenance of the mission for the period from 1 July 2010 to 30 June 2011. Expenditures for the period totalled $518,692,300 gross ($505,062,800 net), with an unencumbered balance of $17,900. An analysis of variances is provided in the performance report for the period from 1 July 2010 to 30 June 2011 (A/66/582, paras. 28-39). The Advisory Committee notes that the value of non-budgeted contributions from the host Government amounted to $13,801,400, which relates to land and premises provided to the mission (ibid., sect. III.F).

6. During the financial period, underexpenditure was incurred in, inter alia, the following areas:

(a) Military contingents ($16,073,400, or 5.4 per cent), owing to reduced requirements for reimbursements for contingent-owned equipment resulting from delays in the planned deployment of some units, lower troop costs owing to the higher actual vacancy rate of 21 per cent compared with the 20 per cent planned and lower requirements for recreational leave allowances. These were partly offset by

additional requirements for mission subsistence allowance for staff officers resulting from their full deployment, compared with the 20 per cent delayed deployment factor applied in the budget;

(b) Communications ($2,313,300, or 14.2 per cent), owing primarily to the cancellation of obligations related to the rental of radar systems because of the non-receipt of invoices and reduced reimbursements for troop self-sustainment because of lower than planned personnel deployment levels;

(c) Special equipment ($1,235,800, or 23.9 per cent), resulting mainly from reduced reimbursements for troop self-sustainment owing to lower than planned deployment levels during the period and the non-acquisition of observation equipment because of the availability of equipment from stock;

(d) Air transportation ($604,900, or 7.8 per cent), attributable to lower requirements for the rental and operation of helicopters owing to a reduction in flight hours because of the increased use of road transportation, less frequent shuttle flights to Beirut and a reduction in the number of helicopters from nine to seven. This was partly offset by additional expenditures due to the higher average cost of fuel — $0.78 per litre compared with the budgeted cost of $0.50 per litre.

7. The above-mentioned underexpenditures were offset, however, by additional requirements, primarily in the following areas: (a) international staff ($3,637,000, or 6.4 per cent), owing to the lower actual vacancy rate of 16.7 per cent compared with the budgeted rate of 22 per cent; (b) national staff ($10,333,100, or 30.8 per cent), owing to an average vacancy rate of 11.7 per cent as compared with the 16 per cent planned, as well as revised salary scales for national staff that became effective 1 September 2010; (c) facilities and infrastructure ($1,258,900, or 2.5 per cent), owing largely to higher actual costs for diesel fuel and liquid propane gas; (d) ground transportation ($942,800, or 11 per cent), owing mainly to a higher actual cost of diesel fuel than had been budgeted; and (e) naval transportation ($4,585,100, or 15.1 per cent), owing to the higher average actual deployment of eight naval vessels rather than the seven planned, as well as a variation in the configuration of the fleet compared to that planned.

8. The comments of the Advisory Committee on the information presented in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 June 2012 to 30 June 2013 in section IV below.

III. Financial position and information on the current period

9. The Advisory Committee was informed that, as at 17 February 2012, a total of $5,834,409,000 had been assessed on Member States in respect of UNIFIL since its inception. Payments received as at the same date amounted to $5,703,983,000, leaving an outstanding balance of $130,426,000. The Committee was further informed that, as at 31 December 2011, an estimated amount of $13,445,000 was owed for troop-cost reimbursements and $37,480,000 for contingent-owned equipment. As at 13 February 2012, the cash position of the mission was $370,500,000, including a three-month operating reserve of $62,483,000. The remaining cash balance of $308,017,000 was sufficient to allow for reimbursements to troop-contributing countries in March 2012.

10. In respect of death and disability compensation, the Advisory Committee was informed that $21,772,000 had been paid for 509 claims since the inception of the mission, and that 1 claim was pending as at 29 February 2012. **The Committee expects that the outstanding claim will be settled expeditiously.**

11. The Advisory Committee was informed that, as at 31 January 2012, the incumbency for UNIFIL for the period from 1 July 2011 to 30 June 2012 was as follows:

	Authorized[a]	*Encumbered*	*Vacancy rate (percentage)*
Military contingent personnel	15 000	12 080	19.5
Posts			
International staff	371	351	5.4
National staff	727	658	9.5
General temporary assistance			
International positions	3	2	33.3

[a] Represents the highest authorized strength for the period.

12. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2011 to 30 June 2012, including reasons for the variances (see annex I). As at 31 January 2012, expenditures for the period amounted to $290,421,000. At the end of the current financial period, the estimated total expenditures would amount to $545,160,800 against the appropriation of $545,470,600, leaving a projected unencumbered balance of $309,800. The Committee notes that the estimated total expenditure of $545,160,800 includes projected overexpenditure in the following areas:

(a) International staff ($5,018,500) and national staff ($5,657,700), owing to lower-than-budgeted vacancy rates as well as the revision of the salary scales for national staff effective 1 September 2010;

(b) Facilities and infrastructure ($5,577,300) and ground transportation ($1,707,000), due primarily to a higher unit cost for diesel fuel;

(c) Naval transportation ($3,318,700), due to increased costs related to two additional vessels in the Maritime Task Force.

13. The Advisory Committee notes from annex I that the above-listed estimated overexpenditures are projected to be offset by underexpenditures in a number of categories, primarily for military contingents ($18,934,200), owing to a projected higher average vacancy rate of 20 per cent compared with a budgeted vacancy rate of 18 per cent, and air transportation ($1,612,200), because of reduced requirements due to the deployment of less costly Bell 212 helicopters as a result of the unavailability of Super Puma helicopters.

IV. Proposed budget for the period from 1 July 2012 to 30 June 2013

A. Mandate and planned results

14. The mandate of UNIFIL was established by the Security Council in its resolutions 425 (1978) and 426 (1978) and expanded in its resolution 1701 (2006), in which the Council authorized an increase in the force strength of UNIFIL to a maximum of 15,000 troops. The most recent extension of the mandate of the mission, until 31 August 2012, was authorized by the Council in its resolution 2004 (2011). The mission is mandated to help the Security Council attain the overall objective of restoring international peace and security in southern Lebanon (see A/66/701, paras. 1 and 2).

15. The Secretary-General describes the planning assumptions and mission support initiatives in paragraphs 7 to 14 of his report on the proposed budget. He states that during the 2012/13 period, UNIFIL will continue its regular operational activities of monitoring the cessation of hostilities through regular patrolling activities and, in close coordination with the Lebanese Armed Forces, efforts to prevent violations of the Blue Line. The mission will also continue to assist the Lebanese army in taking steps to establish an area between the Blue Line and the Litani River free of unauthorized armed personnel, assets and weapons other than those of UNIFIL and the Lebanese army. UNIFIL will continue to take all necessary action within its capabilities to ensure that its area of operations is not utilized for hostile activities of any kind. At the same time, the Maritime Task Force will continue to conduct interdiction operations in the UNIFIL area of maritime operations, in cooperation with the Lebanese navy, and conduct training exercises with the navy.

16. The Secretary-General states that UNIFIL will further enhance its cooperation and coordination with the Lebanese Armed Forces, as called for in Security Council resolution 2004 (2011). In this regard, it is envisaged that the pace of the strategic dialogue mechanism between UNIFIL and the Lebanese army, which is aimed at facilitating the gradual assumption by the army of responsibility for security in the UNIFIL area of operations and Lebanese territorial waters, would accelerate during the 2012/13 period. The Secretary-General further states that UNIFIL, in coordination and cooperation with both parties, will continue the process of visibly marking the Blue Line. If requested by the Lebanese army, UNIFIL will also provide additional engineering support to the army in building a road parallel to the Blue Line that will increase access for both the army and UNIFIL. In addition, UNIFIL will continue to build the capacity of the Lebanese army by, inter alia, enhancing its civil-military coordination capacity.

17. By its resolution 2004 (2011), the Security Council requested the Secretary-General to conduct a strategic review of UNIFIL in an effort to ensure that the mission is configured most appropriately to fulfil its mandated tasks. In this regard, the Secretary-General stated that the review, which assessed the implementation of the Force's key functions, tasks and activities, would be submitted to the Council in March 2012 (ibid., para. 10).

B. Resource requirements

18. The proposed budget for UNIFIL for the period from 1 July 2012 to 30 June 2013 amounts to $517,202,300, representing a decrease of $28,268,300, or 5.2 per cent, in gross terms, compared with the appropriation of $545,470,600 for 2011/12. The Advisory Committee notes that, compared with the projected expenditure of $545,160,800 for 2011/12 (see para. 12 above), the proposed resource reduction for 2012/13 amounts to $27,958,500.

19. The proposed budget for 2012/13 provides for the deployment of 15,000 military contingent personnel, 370 international staff, 717 national staff and 3 general temporary assistance positions for international staff.

20. The overall reduction in resource requirements proposed for 2012/13 is due primarily to decreases under: (a) military contingents ($27,620,100); (b) air transportation ($1,790,800); (c) communications ($914,400); and (d) information technology ($618,000). These are partly offset by proposed increases under: (a) international staff ($736,500); (b) national staff ($2,160,200); and (c) facilities and infrastructure ($544,200).

1. Military and police personnel

Category	*Approved 2011/12*[a]	*Proposed 2012/13*[a]	*Variance*
Military contingent personnel	15 000	15 000	—

[a] Represents the highest authorized strength for the period.

21. The estimated requirements for military contingent personnel for the period from 1 July 2012 to 30 June 2013 amount to $284,958,300, a decrease of $27,620,100, or 8.8 per cent, compared with the appropriation for 2011/12. The Advisory Committee notes from the supplementary information provided to it that the decreased requirements are attributable primarily to reductions in the following areas:

(a) Troop cost reimbursements ($15,602,800, or 8.8 per cent), owing to the application of a delayed deployment factor of 20 per cent for 2012/13 compared with 18 per cent for 2011/12 and the discontinuation of the provision for a supplemental payment to troop-contributing countries, which was approved for the 2011/12 period only;

(b) Travel on emplacement, rotation and repatriation ($3,135,400, or 14.2 per cent), due primarily to increased reliance on United Nations aircraft in lieu of commercial chartered aircraft as well as to the application of a higher delayed deployment factor of 20 per cent;

(c) Rations ($3,207,700, or 15.7 per cent), owing to the application of a higher delayed deployment factor of 20 per cent and reduced transportation and refrigeration costs and projected lower consumption based on recent experience;

(d) Contingent-owned equipment ($4,492,300, or 5.7 per cent), due mainly to the application of a higher delayed deployment factor of 20 per cent and to a reduction in the size of one contingent.

22. With regard to the reduction in the provision for military contingents due primarily to the application of a delayed deployment factor of 20 per cent compared to the 18 per cent applied in the budget, the Advisory Committee notes from the supplementary information that the average delayed deployment factor during the period from 1 July 2011 to 31 January 2012 was 19.1 per cent, while as from 1 February 2012 the actual rate is 19.5 per cent.

23. With regard to rations, the Advisory Committee notes that because of the application of a delayed deployment factor of 20 per cent for 2012/13, there is a 2 per cent reduction in the planned number of troops on which the provision for rations is based. The Committee further notes, however, that compared with the appropriation for the current period, a reduction of 15.7 per cent, or some $3.2 million, is proposed. Upon enquiry, the Committee was informed that the cost variance reflected reductions due to the use of a higher delayed deployment factor, fluctuations in the exchange rate and the application of a non-utilization factor. The non-utilization factor would be realized through more stringent management of ration stocks, including the non-provision of rations for troops on recreational leave. The Committee was also informed that composite ration packs were included in the regular food ration cycles in lieu of fresh rations, every 28 days, on average, on the basis of their shelf life and expiration date. **The Committee welcomes the approach to rations management reflected in the 2012/13 budget, but trusts that the quality of rations provided to contingents will be maintained.**

2. Civilian personnel

Category	*Approved 2011/12*	*Proposed 2012/13*	*Variance*
International staff	371	370	(1)
National staff	727	717	(10)
Temporary positions	3	3	—
Total	**1 101**	**1 090**	**(11)**

24. The estimated requirements for civilian personnel for the period from 1 July 2012 to 30 June 2013 amount to $101,551,600, an increase of $2,896,000, or 2.9 per cent, compared with the appropriation for 2011/12. The increase is attributable mainly to increased requirements under:

(a) International staff ($736,500, or 1.2 per cent), due mainly to the revision of salary scales effective January 2012, the application of a vacancy factor of 10 per cent, compared with 11 per cent for the current period, and the estimation of common staff costs, based on actual expenditure, at 71 per cent of total net salaries compared with 70 per cent for 2011/12. These increases are partly offset by reduced requirements under staff assessment with the new salary scales (ibid, para. 65);

(b) National staff ($2,160,200, or 5.9 per cent), due primarily to the revision of salary scales for national staff effective 1 September 2010 and the application of a 20 per cent vacancy factor for National Professional Officers compared with 33 per cent in 2011/12, offset partly by a reduction in requirements related to the proposed abolition of 11 national General Service posts (ibid., para. 66).

25. Information with respect to the vacancy factors applied in the preparation of the 2012/13 proposals, together with information on current and prior periods and the current vacancy status, are outlined in the table below.

Civilian personnel vacancy factors

(Percentage)

Category	*Actual average vacancy rate 2010/11*	*Budgeted vacancy factor 2011/12*	*Actual vacancy rate as at 31 January 2012*	*Proposed vacancy factor 2012/13*
International staff	16.7	11	5.4	10
National Professional Officers	31.0	33	20.7	20
National General Service	11.0	9.0	9.0	9.0
General temporary assistance	13.9	—	33.3	—

Vacancy rates

26. The Advisory Committee notes the proposed application of a 10 per cent vacancy factor for international staff although the actual vacancy rate in the mission is currently 5.4 per cent. Upon enquiry, the Committee was informed that the rate of 10 per cent reflected more normalized incumbency levels, based on mission experience in the turnover and the lead time required for the recruitment and replacement of staff. The Committee was also informed that the vacancy rate applied took into account the actual vacancy rates that the mission had experienced in recent financial periods, namely, 22 per cent in 2009/10, 17 per cent in 2010/11 and the budgeted rate for the current period of 11 per cent.

27. The Advisory Committee notes that the Secretary-General has highlighted the effective steps taken by UNIFIL to reduce its vacancy rates for international staff, with the reduction being attributed primarily to the availability of candidates cleared by the Field Central Review Board (ibid., sect. VI.B). **The Committee trusts that UNIFIL will continue to make every effort to minimize staffing vacancies.** The Committee comments further on the issue of vacancy rates in peacekeeping operations in its report on cross-cutting issues.

Recommendations on posts

28. A detailed description of the staffing changes proposed under each component is provided in the budget document, with a net decrease of 11 posts being proposed. A summary of the proposed changes in staffing is provided in annex II below. **The Advisory Committee welcomes the efforts made by UNIFIL to review its staffing and make adjustments to meet its changing priority needs, including through the reassignment or abolition of posts whose functions are deemed to no longer be required.**

Post conversion

29. The Secretary-General proposes the conversion of an Administrative Assistant (Field Service) post in the Office of the Director of Mission Support to a national General Service post. Based on the workload of the post and its responsibilities, it is stated that suitable national candidates could be identified to perform the functions in the Records and Archiving Unit (ibid., para. 36). **The Advisory Committee has**

no objection to the proposal of the Secretary-General and encourages the mission to continue to identify further opportunities for the conversion of international posts to national posts.

Post reassignments and redeployments

30. As set out in annex II below, the Secretary-General has proposed a number of post reassignments or redeployments for the 2012/13 period. These include the reassignment of two posts, a Field Service post from the Civilian Personnel Section and a National Professional Officer post from the Medical Section, to establish an Information Management Unit in the Office of the Force Commander/Head of Mission. The Unit would be responsible for the development and implementation of information management policies and programmes of the Force and would work closely with the Regional Communications and Information Technology Services to provide governance to the information technology platform and with the Records Management Unit. The creation of the Unit would ensure a coherent information management governance system for the Force (ibid., paras. 26-28).

31. Upon enquiry, the Advisory Committee was informed that the establishment of the Information Management Unit reflected the need to upgrade the manner in which information was currently managed in the mission, which was fragmented. As such, the Unit would consolidate, under one management structure, the diverse units that currently manage information and records in the mission. It was also stated that the size of the military component at mission headquarters and the frequent rotation of staff officers compounded the challenge of ensuring efficient and effective information management in accordance with United Nations policies and best practices. **As noted in paragraph 28 above, the Committee commends the efforts of UNIFIL to meet its emerging needs through the reassignment of existing posts from unrelated functions. However, the Committee continues to be of the view that proposals for the establishment of new posts should be fully justified (see A/65/743, para. 30). In this regard, given that it reflects the consolidation of existing capacities, the Committee is of the view that the establishment of the Information Management Unit can be achieved without the proposed reassignment of two posts.**

32. The Secretary-General proposes further post movements as follows:

(a) The reassignment of two Interpreter (national General Service) posts from the Beirut office to strengthen the Public Information Section. The Secretary-General states that one post will be assigned to the Radio Production Unit to assist in enhancing the programme content of UNFIL radio productions, which are broadcast fortnightly on local radio stations, and that the other will be assigned to the Media Monitoring Unit (A/66/701, paras. 30-32). The Committee was informed, upon enquiry, that there was no longer a need for a dedicated interpretation capacity in the Beirut office and that, should such support be required on occasion, it would be provided from the pool of interpreters at UNIFIL headquarters;

(b) The reassignment of one Language Assistant (national General Service) post from the Joint Logistics Operations Centre as an Administrative Assistant in the Office of the Director of Mission Support to provide clerical support and one Board of Inquiry Assistant (Field Service) to the Compliance and Monitoring Unit as an Administrative Assistant (ibid., paras. 36 and 37);

(c) In order to expand welfare and staff counselling activities, the reassignment of one Telecommunications Technician (Field Service) post and one Language Assistant (national General Service) post from the Joint Logistics Operations Centre to carry out the functions of Staff Counsellor (Field Service) and Welfare Assistant (national General Service), respectively (ibid., paras. 39 and 40);

(d) The redeployment of five posts (1 P-4, 1 Field Service and 3 national General Service) in the Contracts Management Section to carry out the same functions in the General Services Section (ibid., para. 41);

(e) The reassignment of one Finance Assistant (Field Service) to the General Services Section as an Administrative Assistant to introduce an electronic work order system (ibid., para. 43);

(f) The reassignment of four national General Service posts (1 Engineering Assistant, 1 Fuel Assistant and 2 Transport Assistants) to the General Services Section as Facilities Management Assistants (ibid., para. 44);

(g) Within the Integrated Support Services, the reassignment of an Asset Management Assistant (Field Service) post from the Supply Section to carry out the functions of Property Management Assistant and two Language Assistant (national General Service) posts from the Joint Logistics Operations Centre to carry out the functions of Aviation Assistant and Inventory and Supply Assistant, respectively (ibid., paras. 45-47).

33. **The Advisory Committee has no objection to the proposals of the Secretary-General in respect of the post reassignments and redeployments set out in paragraph 32 above.**

Post abolitions

34. The Secretary-General proposes to abolish 11 national General Service posts, consisting of 1 Procurement Assistant, 1 Rations Assistant and 9 Language Assistant posts in the Joint Logistics Operations Centre (ibid., paras. 42, 47 and 48). **The Advisory Committee has no objection to the proposal of the Secretary-General for the abolition of 11 posts.**

35. **As noted in paragraph 31 above, the Advisory Committee does not support the proposed reassignment of two posts to the Information Management Unit. The Committee is of the view that if their present functions are no longer required, the Secretary-General should consider their abolition.**

3. Operational costs

Appropriation 2011/12	*Proposed 2012/13*	*Variance*
$134,236,600	$130,692,400	($3,544,200)

36. The estimated operational requirements for the period from 1 July 2012 to 30 June 2013 amount to $130,692,400, a decrease of $3,544,200, or 2.6 per cent, compared with the provision for 2011/12. The increase is attributable mainly to reduced requirements under:

(a) Air transportation ($1,790,800, or 21.1 per cent), due mainly to: (i) the deployment of two less-costly Bell 212 helicopters instead of two Super Puma

helicopters; (ii) a decrease in planned flight hours from 2,000 in 2011/12 to 1,800 in 2012/13; and (iii) reduced requirements for satellite tracking hours. These decreases were partly offset by an increase in aviation fuel from $0.65 per litre in 2011/12 to $0.93 per litre in 2012/13 (ibid., para 71);

(b) Communications ($914,400, or 6 per cent), attributable to a reduction in acquisitions owing to the extended use of existing equipment and reduced reimbursements for self-sustainment because of the application of a higher delayed deployment factor of 20 per cent (ibid., para. 73);

(c) Information technology ($618,000, or 17.7 per cent), due primarily to a reduction in acquisitions owing to the extended use of existing equipment and the use of existing stocks of spare parts and supplies (ibid., para. 74).

37. The reduced requirements in those areas are partly offset by increases under ground transportation ($139,900) and facilities and infrastructure ($544,200), both of which are stated as being due largely to an increase in the per litre cost of diesel fuel, from $0.63 in the current period to $0.92, based on the average price from July to December 2011 (ibid., paras. 69 and 70).

Air transportation

38. With regard to air operations, the Advisory Committee was informed during its hearing that, with the departure of two aircraft early in 2012, the fleet had been reduced from seven helicopters to five. The Committee was further informed that while efforts were continuing to find replacements for those aircraft, should the fleet remain at five helicopters, the mission planned to maintain the 1,800 flight hours proposed for the 2012/13 period by increasing the utilization of each of the remaining aircraft. The Committee was provided with information on the financial impact of the reduction of the fleet, which indicated that the requirement for air operations for 2012/13 would be $6,515,400, representing a reduction of $181,700 from the amount of $6,697,100 reflected in the budget proposal. **The Committee recommends that a further update on efforts to identify replacement aircraft be provided to the General Assembly at the time of its consideration of this proposal. Should replacements not have been obtained by that point, the Committee recommends that the budget proposal be adjusted by $181,700. In the event that the mission secures additional helicopters during the financial period, any related expenditures should be reported in the performance report.**

Ground transportation

39. In its report on peacekeeping operations for the period ended 30 June 2011, the Board of Auditors noted that, based on the application of the standard ratio, the allocation of vehicles to international staff significantly exceeded the entitlement. The Board also observed that a significant number of light passenger vehicles, mostly with one occupant, were moving daily between Tyre, where staff accommodation is located, and UNIFIL headquarters in Naqoura (see A/66/5 (Vol. II), chap. II, paras. 215 and 218). The Administration noted that subsequent to the audit, UNIFIL had introduced two additional shuttle buses for transportation between Tyre and Naqoura (ibid., para. 222). The Advisory Committee was informed that in response to the observation of the Board of Auditors, the number of light passenger vehicles would be reduced by 21 mission-wide. Upon enquiry, the Committee was also informed that the reduction was not attributable specifically to

the increased shuttle bus service but rather to the identification of resource efficiencies and other operational factors.

40. From the supplementary information provided to it, the Advisory Committee notes that for the 2012/13 period, during which 370 posts are proposed, it is planned that 210 light passenger vehicles will be distributed among international staff. This remains significantly above the allocation that would be derived from the application of the standard ratios established for peacekeeping operations. **The Committee recognizes the need for staff to have access to vehicles for the performance of their official duties. However, the Committee is concerned at the finding of the Board of Auditors with respect to the number of passenger vehicles that appear to be used primarily to commute to and from work. The Committee expects that UNIFIL will further review vehicle utilization in the mission and make necessary adjustments to align its vehicle holdings with the standard ratios. The Committee requests that information in this regard be provided in the context of the budget proposal for 2013/14, including, if applicable, justification for proposed holdings in excess of the standard ratios.** The Committee comments further on the issue of vehicle holdings in its report on cross-cutting issues.

Information technology

41. From the supplementary information provided to it, the Advisory Committee notes that the provision for the acquisition of information technology equipment for 2012/13 reflects a reduction of $585,800, or 50 per cent, compared with the approved resources for 2011/12, owing to the extended utilization of existing equipment. The Committee also notes that the current holdings of computers (desktop, laptop and netbook) amount to 2,034 devices, 1,001 of which are used for training, Internet cafe, telephone billing or providing connectivity to contingents or as spares. **While noting the reduction in the level of acquisition of information technology equipment, the Committee is of the view that the mission should further review its computer holdings.** The Committee comments further on the issue of information technology equipment holdings in its report on cross-cutting issues.

Maritime Task Force

42. As outlined by the Secretary-General, the Maritime Task Force will continue to conduct interdiction operations in the UNIFIL area of maritime operations in cooperation with the Lebanese navy, as well as training exercises with the navy (A/66/701, para. 7). A provision of $31,792,900 is made for the Task Force for 2012/13, representing a minor reduction of $112,900 on the approved funding for 2011/12.

43. The Advisory Committee notes that for the 2010/11 period, an overexpenditure of $4,585,100 was reported under naval transportation and that an overexpenditure of approximately $3.3 million is projected for the current 2011/12 period (see paras. 7 and 12 above). The Committee was informed, upon enquiry, that the Maritime Task Force comprises nine vessels (2 frigates, 2 corvettes, 1 offshore patrol vessel, 1 support ship and 3 patrol boats) and two maritime helicopters. For 2012/13, the Committee was informed that the budgetary assumption on which the resource proposal is based provides for the deployment of seven vessels (3 frigates,

3 patrol vessels and 1 combat support ship) and two helicopters, with a delayed deployment factor of 25 per cent being applied. The Committee was further informed that operational planning continued to be based on the assumption that nine vessels and two helicopters would be sourced and deployed. The budgetary assumption of seven vessels, however, reflected a more normalized situation regarding the availability of assets, based on mission experience and taking into account the gaps that occur in connection with the replacement of vessels. **The Committee remains of the view that budget proposals should be based on fully justified budgetary assumptions that take into account both historical data and foreseeable factors and, in this regard, notes the planning assumption used in the development of the resource proposal for the Maritime Task Force.**

44. In its previous report on UNIFIL, the Advisory Committee requested that information on the steps taken to incorporate into the Contingent-Owned Equipment Manual the procedures used to verify the contingent-owned equipment of the Maritime Task Force be provided in the context of the budget proposal for 2012/13 (A/65/743/Add.9, para. 40). In this connection, the Committee notes the update provided in the proposed budget indicating that UNIFIL has developed procedures for the verification of the Task Force's contingent-owned equipment (A/66/701, sect. VI.B). Upon enquiry, the Committee was informed that the recommended update to the Contingent-Owned Equipment Manual in respect of those procedures would be presented at the next meeting of the Contingent-Owned Equipment Working Group, due to be held in 2014, for its consideration and approval.

Training

45. Provision of $1,259,000 is made for training activities in 2012/13, consisting of $519,800 for travel and $739,200 for fees, supplies and services (ibid., paras. 54-56). Information on the planned number of training participants, in both external courses and courses to be offered at UNIFIL, is also provided. The Advisory Committee notes that it is planned that international staff will participate in training outside the mission area on 104 occasions during the financial period. It also notes from the information provided for the periods 2010/11 and 2011/12 and proposed for 2012/13 that, on average, each international staff member of the mission would participate in external training approximately every three years. Upon enquiry, the Committee was informed that mission staff needed to travel to United Nations Headquarters, the United Nations Logistics Base at Brindisi, Italy, or the Regional Service Centre in Entebbe, Uganda, to participate in courses organized by the United Nations that are not offered in the mission area. It was indicated that most of the courses related to technical training required to update staff skills or to obtain certification, particularly in such areas as communications, information technology, transport, supply, security, engineering and medical. The Committee was further informed that UNIFIL sought to reduce travel costs by selecting, where possible, training in the region or in Europe.

46. The Advisory Committee recalls paragraph 22 of General Assembly resolution 66/246, in which the Assembly stressed that the largest possible share of resources provided for training purposes should be directed towards the preparation and delivery of training and that ancillary costs, including associated travel, should be minimized. **The Committee reiterates its position that travel for training should be kept under close review and limited to the extent possible (see A/65/743,**

para. 135). The Committee comments further on this issue in its report on cross-cutting issues.

Mine detection and mine-clearing supplies

47. In the performance report for the period 2010/11, the Secretary-General reports that although the planned output had been the clearance of mines and unexploded ordnance on 192,000 m^2 of land, the actual area cleared was 12,016 m^2 (A/66/582, expected accomplishment 1.1). It is stated that the decrease reflected a shift in operational requirements from battle area clearance to the manual clearance of points along the Blue Line, based on the recommendations arising from the Department of Peacekeeping Operations/UNIFIL joint technical review completed in January 2010. As reflected in the results-based-budgeting framework in the proposed budget for 2012/13, the clearing of access to the Blue Line will continue to be the main focus of the mission's demining activities. In this regard, the Committee notes from the eighteenth report of the Secretary-General on the implementation of Security Council resolution 1701 (2006) that, as at 13 February 2012, the number of points agreed by the parties for marking had reached 253 out of the 470 to be marked. The UNIFIL deminers had cleared access to 192 points and 140 had been measured (S/2012/124, para. 34). With regard to the 2012/13 period, the Committee was informed, upon enquiry, that it was not possible to forecast the area of land or the number of access routes that would be cleared, as this depended on the priorities of the parties as well as on the overall operational environment.

48. The Advisory Committee notes that the UNIFIL military demining units are supported by the United Nations Mine Action Support Team, for which a provision of $1,294,000 is proposed for mine detection and mine-clearing services for 2012/13 (A/66/701, paras. 57 and 58). The Committee notes that this represents a reduction of approximately $138,000 compared with the appropriation for 2011/12 which, it is stated, results from the handover of mine action coordination to the Lebanese Armed Forces. The Committee was informed, upon enquiry, that the services provided include pre-validation training and validation assessment of military demining units, the conduct of quality assurance monitoring visits to clearance sites and the provision of safety briefings to personnel.

HIV/AIDS information, education and communication materials

49. As detailed in the results-based-budgeting framework contained in the budget proposal, the mission plans to produce and distribute a variety of items, such as posters, brochures and key rings as part of its HIV/AIDS information, education and communication campaign targeting all UNIFIL personnel. Upon enquiry, the Advisory Committee was informed that a provision of $52,276 had been made for such materials for the 2012/13 period. The Committee was further informed that, given the frequent rotation of military personnel, such materials supplement and sustain efforts to disseminate information to all personnel.

Quick-impact projects

50. A provision of $500,000 is proposed for 2012/13 to continue the implementation by UNIFIL of quick-impact projects. The Secretary-General states it is critical that UNIFIL continue to demonstrate its support for the local population in its area of operations and that such projects remain essential. It is indicated that

UNIFIL had carried out a review of its quick-impact projects and determined that there was a continued need to fill the gap in terms of access to basic services and also to extend capacity-building support to local authorities (ibid., paras. 59-61).

51. The Advisory Committee notes that an apportionment of $500,000 was made for 25 quick-impact projects for the current period. Upon enquiry, the Committee was informed that as at 2 March 2012, eight projects, at a total cost of $137,072, were under implementation. The Committee was further informed that changes in the supervision of the implementation of quick-impact projects within the mission during 2011/12 had led to some delays in the implementation of projects. It was stated, however, that supervision was now under the Civil Affairs Office, as from January 2012, and that work on projects had since accelerated. **The Committee emphasizes the importance of quick-impact projects as a way of enhancing relations between the mission and the local population and expects that UNIFIL will implement all planned projects in a timely manner.**

4. Other matters

Regional mission cooperation

52. Information on regional mission cooperation is outlined in paragraphs 15 to 21 of the proposed budget, in which it is stated that UNIFIL will continue to act as a regional coordinator hub for information and communications technology services, conduct and discipline, HIV/AIDS and oversight activities for UNIFIL, the United Nations Disengagement Observer Force, the United Nations Truce Supervision Organization, the United Nations Peacekeeping Force in Cyprus and the United Nations Logistics Base at Brindisi. In addition, the mission will continue its close cooperation with the Office of the United Nations Special Coordinator for Lebanon, including by providing administrative, logistical and technical support. The Secretary-General states that UNIFIL will continue to lead regional training efforts. **The Advisory Committee continues to support the initiatives being undertaken to facilitate greater regional cooperation among missions in the Middle East, as well as the present role of UNIFIL in that regard.** The Committee notes, in this context, that the proposed concept of a regional service centre to cover missions in the Middle East may have an impact on current cooperation arrangements (see A/66/591, para. 84). The Committee's position on this issue is reflected in its report on cross-cutting issues.

Follow up on recommendations of the Board of Auditors

53. In its report on United Nations peacekeeping operations for the period from 1 July 2010 to 30 June 2011, the Board of Auditors noted a general improvement in the monitoring of the implementation of its recommendations. In particular, the Board highlighted, as an example, the establishment of the Compliance and Monitoring Unit in the Office of the Director of Mission Support (A/66/5 (Vol. II), chap. II, para. 11). The Advisory Committee recalls that the Unit was set up in 2010/11 and combined the existing functions of boards of inquiry with new compliance and monitoring functions, including the coordination of responses to audit observations and the development and implementation of risk management procedures. **The Committee trusts that the Compliance and Monitoring Unit will facilitate the expeditious implementation of the recommendations of oversight bodies. The Committee requests that information on the functioning**

of the Unit, including with respect to risk management, be provided in the context of the budget proposal for 2013/14.

V. Conclusion

54. The actions to be taken by the General Assembly in connection with the financing of UNIFIL for the period from 1 July 2010 to 30 June 2011 are contained in section V of the performance report (A/66/582). **The Advisory Committee recommends that the unencumbered balance of $17,900, as well as other income and adjustments in the amount of $28,857,500, be credited to Member States.**

55. The actions to be taken by the General Assembly in connection with the financing of UNIFIL for the period from 1 July 2012 to 30 June 2013 are contained in section V of the proposed budget (A/66/701). **The Advisory Committee recommends that, should the Security Council decide to extend the mandate of UNIFIL beyond 31 August 2012, and subject to the provision of updated information on the composition of the mission's air fleet, the Assembly appropriate an amount of $517,020,600 for the maintenance of the mission for the 12-month period from 1 July 2012 to 30 June 2013 (see also para. 1 above).**

Documentation

- Budget performance of the United Nations Interim Force in Lebanon for the period from 1 July 2010 to 30 June 2011 (A/66/582)
- Budget for the United Nations Interim Force in Lebanon for the period from 1 July 2012 to 30 June 2013 (A/66/701 and Corr.1)
- Eighteenth report of the Secretary-General on the implementation of Security Council resolution 1701 (2006) (S/2012/124)
- Financial report and audited financial statements for the 12-month period from 1 July 2010 to 30 June 2011 and report of the Board of Auditors on United Nations peacekeeping operations (A/66/5 (Vol. II))
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance report for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 of the United Nations Interim Force in Lebanon (A/65/743/Add.9)
- General Assembly resolution 65/303 on the financing of the United Nations Interim Force in Lebanon
- Security Council resolutions 425 (1978), 426 (1978), 1701 (2006) and 2004 (2011)

Annex I

Current and projected expenditures of the United Nations Interim Force in Lebanon for the period from 1 July 2011 to 30 June 2012

(Thousands of United States dollars)

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military observers	—	—	—	—	—	—	—	
Military contingents	312 578.4	161 494.5	151 083.9	132 149.7	293 644.2	18 934.2	6.1	Reduced requirements resulting from the higher average actual vacancy rate of 20 per cent compared with the budgeted vacancy rate of 18 per cent
United Nations police	—	—	—	—	—	—	—	
Formed police	—	—	—	—	—	—	—	
Subtotal	**312 578.4**	**161 494.5**	**151 083.9**	**132 149.7**	**293 644.2**	**18 934.2**	**6.1**	
Civilian personnel								
International staff	61 518.3	39 627.7	21 890.6	26 909.1	66 536.8	(5 018.5)	(8.2)	Additional requirements resulting from the lower average actual vacancy rate of 5 per cent compared with the budgeted vacancy rate of 11 per cent
National staff	36 569.7	24 953.7	11 616.0	17 273.7	42 227.4	(5 657.7)	(15.5)	Additional requirements resulting from the lower average actual vacancy rate of 21 per cent for National Professional Officers compared with the budgeted rate of 33 per cent and the revision of national salary scales effective 1 September 2010
United Nations Volunteers	—	—	—	—	—	—	—	

	1 July 2011 to 31 January 2012			Projected 1 February to 30 June 2012				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
General temporary assistance	567.6	290.7	276.9	150.8	441.5	126.1	22.2	Reduced requirements resulting from higher average actual vacancy rate of 25 per cent compared with the assumption of full deployment
Subtotal	**98 655.6**	**64 872.1**	**33 783.5**	**44 333.5**	**109 205.6**	**(10 550.0)**	**(10.7)**	
Operational costs								
Government-provided personnel	—	—	—	—	—	—	—	
Civilian electoral observers	—	—	—	—	—	—	—	
Consultants	136.2	53.6	82.6	82.6	136.2	—	—	
Official travel	1 291.8	553.4	738.4	715.0	1 268.4	23.4	1.8	
Facilities and infrastructure	51 753.5	32 095.0	19 658.5	25 235.8	57 330.8	(5 577.3)	(10.8)	Additional requirements resulting from the higher actual average cost of diesel fuel of $0.93 per litre compared with the budgeted cost of $0.63 per litre, offset in part by lower requirements for reimbursements to troop-contributing countries for self-sustainment
Ground transportation	8 422.0	6 412.7	2 009.3	3 716.3	10 129.0	(1 707.0)	(20.3)	Additional requirements resulting from higher actual average cost of diesel fuel of $0.93 per litre compared with the budgeted cost of $0.63 per litre
Air transportation	8 487.9	3 435.2	5 052.7	3 440.5	6 875.7	1 612.2	19.0	Reduced requirements resulting from the proposed deployment of two less-costly Bell 212 helicopters, owing to the unavailability of the Super Puma helicopters

	1 July 2011 to 31 January 2012			Projected 1 February to 30 June 2012				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure 2011/12*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Naval transportation	31 905.8	31.3	31 874.5	35 193.2	35 224.5	(3 318.7)	(10.4)	Additional requirements resulting from two additional vessels
Information technology	3 499.9	3 286.3	213.6	157.0	3 443.3	56.6	1.6	Reduced requirements resulting from lower requirements for reimbursements to troop-contributing countries for self-sustainment
Medical	4 318.6	2 349.3	1 969.3	1 884.9	4 234.2	84.4	2.0	Reduced requirements resulting from lower requirements for reimbursements to troop-contributing countries for self-sustainment
Special equipment	5 027.6	2 513.8	2 513.8	2 400.0	4 913.8	113.8	2.3	Reduced requirements resulting from lower requirements for reimbursements to troop-contributing countries for self-sustainment
Other supplies, services and equipment	3 739.2	1 867.1	1 872.1	1 283.1	3 150.2	589.0	15.8	Reduced requirements resulting from lower requirements for uniforms, flags and decals, mine detection and mine-clearance services
Quick-impact projects	500.0	70.3	429.7	429.7	500.0	—	—	
Subtotal	**134 236.6**	**64 054.4**	**70 182.2**	**78 256.7**	**142 311.1**	**(8 074.5)**	**(6.0)**	
Gross requirements	**545 470.6**	**290 421.0**	**255 049.6**	**254 739.8**	**545 160.8**	**309.8**	**0.1**	
Staff assessment income	12 287.4	7 200.1	5 087.3	—	7 200.1	5 087.3	41.4	
Net requirements	**533 183.2**	**283 220.9**	**249 962.3**	**254 739.8**	**537 960.7**	**(4 777.5)**	**(0.9)**	
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—	
Total requirements	**545 470.6**	**290 421.0**	**255 049.6**	**254 739.8**	**545 160.8**	**309.8**	—	

Annex II

Summary of proposed staffing changes for the United Nations Interim Force in Lebanon for the period from 1 July 2012 to 30 June 2013

Office/Section/Unit	*Number of posts*	*Level*	*Description*	*Status*
Executive direction and management				
Office of the Force Commander	+1	NPO	Information Management Officer	Reassigned from the Medical Section
	+1	FS	Information Management Assistant	Reassigned from the Civilian Personnel Section
Subtotal	**+2**			
Component 1				
Public Information Section	+2	NGS	Public Information Assistant	Reassigned from the Beirut office
	+2			
Beirut office	-2	NGS	Interpreter	Reassigned to the Public Information Section
	-2			
Subtotal	—			
Component 2				
Office of the Director of Mission Support	-1	FS	Administrative Assistant	Converted to the NGS category
	+1	NGS	Administrative Assistant	Converted from the FS category
	+1	NGS	Administrative Assistant	Reassigned from the Joint Logistics Operation Centre
	+1			
Compliance and Monitoring Unit	+1	FS	Administrative Assistant	Redeployed from the Office of the Chief, Administrative Services
	+1			
Office of the Chief, Administrative Services	-1	FS	Board of Inquiry Secretary	Redeployed to the Compliance and Monitoring Unit
	+1	FS	Assistant to the Staff Counsellor	Reassigned from the Regional Communications and Information Technology Services
	+1	NGS	Welfare Assistant	Reassigned from the Joint Logistics Operation Centre
	+1			
Contracts Management Section	-1	P-4	Contract Management Officer	Redeployed to the General Services Section

Office/Section/Unit	*Number of posts*	*Level*	*Description*	*Status*
	-1	FS	Contract Management Assistant	Redeployed to the General Services Section
	-3	NGS	Administrative Assistant	Redeployed to the General Services Section
	-5			
Finance Section	-1	FS	Finance Assistant	Reassigned to the General Services Section
	-1			
Civilian Personnel Section	-1	FS	Human Resources Assistant	Reassigned to the Office of the Force Commander
	-1			
Procurement Section	-1	NGS	Procurement Assistant	Abolished
	-1			
General Services Section	+1	P-4	Contract Management Officer	Redeployed from the Contracts Management Section
	+1	FS	Contract Management Assistant	Redeployed from the Contracts Management Section
	+1	FS	Administrative Assistant	Reassigned from the Finance Section
	+3	NGS	Contract Management Assistant	Redeployed from the Contracts Management Section
	+1	NGS	Facilities Management Assistant	Reassigned from the Engineering Section
	+1	NGS	Facilities Management Assistant	Reassigned from the Supply Section
	+2	NGS	Facilities Management Assistant	Reassigned from the Transport Section
	+10			
Property Management Section	+1	FS	Property Management Assistant	Reassigned from the Supply Section
	+1			
Supply Section	-1	FS	Asset Management Assistant	Reassigned to the Property Management Section
	-1	NGS	Ration Assistant	Abolished
	-1	NGS	Fuel Assistant	Reassigned to the General Services Section
	+1	NGS	Inventory and Supply Assistant	Reassigned from the Joint Logistics Operation Centre
	-2			

Office/Section/Unit	*Number of posts*	*Level*	*Description*	*Status*
Medical Section	-1	NPO	Pharmacist	Reassigned to the Office of the Force Commander
	-1			
Engineering Section	-1	NGS	Engineering Assistant	Reassigned to the General Services Section
	-1			
Joint Logistics Operation Centre	-9	NGS	Language Assistant	Abolished
	-1	NGS	Language Assistant	Reassigned to the Office of the Chief, Administrative Services
	-1	NGS	Language Assistant	Reassigned to the Office of the Director of Mission Support
	-1	NGS	Language Assistant	Reassigned to the Aviation Section
	-1	NGS	Language Assistant	Reassigned to Supply Section
	-13			
Transport Section	-2	NGS	Transport Assistant	Reassigned to the General Services Section
	-2			
Aviation Section	+1	NGS	Aviation/Air Operations Assistant	Reassigned from the Joint Logistics Operation Centre
	+1			
Regional Communications and Information Technology Services	-1	FS	Telecommunication Technician	Reassigned to the Office of the Chief, Administrative Services
	-1			
Subtotal	**-13**			
Total	**-11**			
International	-1			
National Professional Officer	—			
National General Service	-10			

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Agenda item 162
Financing of the United Nations Mission in the Sudan

Budget performance of the United Nations Mission in the Sudan for the period from 1 July 2010 to 30 June 2011

Report of the Advisory Committee on Administration and Budgetary Questions

Appropriation for 2010/11[a]	$1,008,026,300
Expenditure for 2010/11	$998,776,400
Unencumbered balance for 2010/11	$9,249,900
Appropriation for 2011/12	$137,532,000
Projected expenditure 2011/12[b]	$137,247,156
Estimated unencumbered balance for 2011/12[a]	$284,844

[a] See General Assembly resolutions 64/283 and 65/257.
[b] Estimates as at 31 January 2012 (see annex).

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I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the budget performance of the United Nations Mission in the Sudan (UNMIS) for the period from 1 July 2010 to 30 June 2011 (A/66/608). The Committee has made recommendations and observations, where appropriate, in the paragraphs below.

2. The report of the Advisory Committee on cross-cutting issues related to United Nations peacekeeping operations is contained in document A/66/718. In the present report, the Committee deals with resources and other items that relate specifically to UNMIS.

3. The mandate of UNMIS was established by the Security Council in its resolution 1590 (2005) and was further extended by the Council in a number of subsequent resolutions. The Council decided to extend until 9 July 2011 the mandate of UNMIS in its resolution 1978 (2011). In its resolution 1997 of 11 July 2011, the Council decided to withdraw UNMIS effective 11 July 2011, and called upon the Secretary-General to complete withdrawal of all uniformed and civilian UNMIS personnel, other than those required for the Mission's liquidation, by 31 August 2011.

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNMIS are listed at the end of the present report.

II. Budget performance for the period from 1 July 2010 to 30 June 2011

5. The General Assembly appropriated a total amount of $1,008,026,300 for the maintenance of the Mission for the period from 1 July 2010 to 30 June 2011, representing (a) $938,000,000 under the terms of its resolution 64/283, and (b) $70,026,300 for the support of the referendums under its resolution 65/257. In this connection, the Advisory Committee recalls that in his initial budget proposal for 2010/11 for UNMIS (A/64/632), the Secretary-General did not include provisions for support to the referendums in Southern Sudan and the Abyei area, as it was not possible at that time to accurately determine the resources that would be required (see A/65/571, para. 3). The additional financial requirements in respect of support for the referendums by the Mission were requested by the Secretary-General in his note, on financing arrangements (A/65/509), and a detailed breakdown of the referendums requirements is contained in annex V to the report of the Advisory Committee (A/65/571) (see para. 9 below).

6. Expenditures for the period 2010/11 totalled $998,776,400. The resulting unencumbered balance of $9,249,900, in gross terms, represents 99.1 per cent implementation rate of resources utilization. An analysis of variances is provided in section IV of the budget performance report for the period from 1 July 2010 to 30 June 2011 (A/66/608).

7. The underexpenditures are mainly attributable to:

(a) Military contingents ($18,063,000): owing to lower actual costs realized through reduced air charter costs, for replacement, rotation and repatriation, and

lower costs for rations as a result of lower unit prices and transportation costs, and availability of sufficient backup stock (see A/66/608, para. 27);

(b) Other supplies, services and equipment ($7,935,200): owing to lower-than-budgeted expenditures under the disarmament, demobilization and reintegration programme, as some of the disarmament, demobilization and reintegration projects were not implemented owing to the security situation in some locations. The lower requirements were partially offset by higher requirements for freight owing to shipments of containers and vehicles to the Mission from the United Nations Mission in the Central African Republic and Chad (MINURCAT) (see A/66/608, para. 42);

(c) Communications ($6,504,900): owing to lower-than-budgeted usage of Internet service, and a lower level of acquisition of communications equipment (see A/66/608, para. 39);

(d) General temporary assistance ($4,986,100): owing to the higher actual vacancy rates for international and national temporary staff and a decrease in the hazardous duty station allowance (see A/66/608, para. 31);

(e) Ground transportation ($2,766,700): primarily owing to lower-than-budgeted acquisitions of vehicles because of the receipt of 200 vehicles from the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and four armoured vehicles from MINURCAT, delays in planned repairs and maintenance and lower requirements for spare parts, which were partially offset by higher actual requirements for petrol, oil and lubricants (see A/66/608, para. 36).

8. The underexpenditures were partially offset by increased requirements under:

(a) International staff ($16,380,800): owing to higher actual common staff costs and a lower actual vacancy rate of 19.1 per cent, compared to the budgeted rate of 26 per cent, which were partially offset by a lower-than-budgeted hazardous duty station allowance (see A/66/608, para. 29);

(b) National staff ($2,948,800): owing to higher actual common staff costs, an increase in the salary scale and a lower actual vacancy rate of 8.8 per cent as compared to the budgeted rate of 15 per cent, which were partially offset by a lower-than-budgeted hazardous duty station allowance (see A/66/608, para. 30);

(c) Air transportation ($13,285,400): owing to higher-than-budgeted costs for the rental and operation of fixed-wing aircraft due to under-recovery of costs (see para. 11 below), and of rotary-wing aircraft because of two additional aircraft, which were offset in part by lower requirements for petrol, oil and lubricants due to lower actual flight hours (see A/66/608, para. 37);

(d) Official travel ($1,501,200): owing to unplanned trips in support of Integrated Support Services and transportation, and for coordination trips for the establishment of the United Nations Mission in South Sudan (see A/66/608, para. 34).

Additional appropriation and expenditures for support of referendums

9. The Advisory Committee requested the breakdown of the expenditures against the additional funding of $70,026,300 approved for support of the referendums. The Committee was informed that expenditures for activities funded under the additional appropriation were not tracked separately, because the additional funding related to

the core mandate of the Mission, in accordance with Security Council resolution 1919 (2010), in which the Mission was requested to be prepared to play a lead role in international efforts to provide assistance, as requested, to support preparations for the referendums in 2011. Furthermore, support for the referendums was explicit in the initial 2010/11 budget, including the results-based-budgeting frameworks presented therein. **The Advisory Committee is of the view that, since the additional requirements for support of the referendums were presented in detailed breakdown, the Secretary-General should have reported on their utilization.**

Reprioritization of resources

10. Upon enquiry, the Advisory Committee was provided with information in respect of the reprioritization of resources that was undertaken in the context of support of the referendums. Given its importance, the Committee was informed that funds that had been approved for other projects were reprioritized to ensure that all activities related to the referendums were completed. Such reprioritization included the use of existing stocks and materials, which had been intended for projects such as the United Nations House in Juba, to construct the referendums support bases. Furthermore, the Advisory Committee notes from the results-based-budgeting frameworks that a number of the planned activities during the 2010/11 period were not fully implemented, although 99.1 per cent of resources were utilized during the period. This may also be attributable to the reprioritization of activities and resources. The Advisory Committee comments on the issue of such reprioritization in its cross-cutting report (A/66/718).

Air transportation

11. With respect to the higher-than-budgeted costs for the rental and operation of fixed-wing aircraft due to under-recovery of the costs, the Advisory Committee was informed that the increased requirement was due to the unbudgeted provision of air services to other missions that had not been recovered at the end of the period for 2010/11. The Committee was informed, upon enquiry, that in support and under the operational control of the Transportation and Movements Integrated Control Centre, UNMIS budgeted one aircraft on a cost recovery basis, with costs to be shared by UNMIS (30 per cent) and UNAMID (70 per cent). However, with the closure of the 2010/11 accounting period, the costs recovery process was no longer ongoing and the corresponding reduced requirements under air transportation were reflected in the UNAMID performance report for the same period.

Facilities and infrastructure

12. The Advisory Committee notes an increase in the fuel supply of 22.4 million litres, compared with the planned 17.6 million litres, partly owing to increased fuel consumption by the 500 KVA generators that replaced the 160/250 KVA sets (see A/66/608). The Committee also notes that a strategy, aimed at enhancing fuel consumption efficiencies by installing lower-capacity generators in a synchronized load-sharing system, is presented in the 2012/13 budgets for a number of missions. The Advisory Committee comments on the issue in its cross-cutting report (A/66/718).

Outsourcing of security service

13. The Advisory Committee recalls that to improve efficiency, the Mission adopted its strategy of outsourcing security guard services (see A/64/660/Add.3, para. 44); however, the Committee notes from the performance report that the planned provision of more cost-effective security guard services through increased outsourcing to reliable local service providers throughout the Mission area did not take place owing to political uncertainties. **The Advisory Committee is of the view that budget proposals should be based on realistic assumptions.**

Naval transportation

14. With respect to naval operations, it is indicated in the performance report that the Mission carried out 7,582 boat patrol days (compared with 11,680 days planned), while 63,600 litres of fuel was provided for these operations (compared with 70,503 litres planned) (see A/66/608). The Advisory Committee notes an apparent disconnect between the actual implementation rate of 65 per cent of boat patrol days and the actual fuel consumption of 90 per cent. Although the Committee sought clarification on this issue, it was not provided with an adequate explanation. **The Advisory Committee requests that full justification for this apparent discrepancy be provided in the context of the next performance report of the Mission.**

III. Information on performance for the current period

15. The Advisory Committee further recalls that the main objective of UNMIS for the period from 11 July to 31 December 2011 was the logistical, administrative and security support to the withdrawal and administrative liquidation of the Mission by 31 December 2011, and that the withdrawal and liquidation plan and schedule were explained in the report of the Secretary-General on the revised budget for the Mission for 2011/12 (see A/66/519, paras. 8-13).

16. The Advisory Committee was informed that, as at 31 January 2012, a total of $6,704,721,000 had been assessed on Member States in respect of UNMIS since its inception. Payments received as at the same date amounted to $6,479,091,000, leaving an outstanding balance of $225,630,000. As at 21 February 2012, the cash position of the Mission was $83,600,000, including the three-month operation reserve of $1,104,000. The remaining cash balance of $82,496,000 is sufficient to allow for reimbursements to troop-contributing countries at the next payment, scheduled for March 2012.

17. The Advisory Committee was also informed that, as at 31 December 2011, an estimated amount of $646,000 was owed for troop-cost reimbursements and $22,898,000 for contingent-owned equipment. In respect of death and disability compensation, $934,000 had been paid for 35 claims since the inception of the Mission, and 3 claims were pending as at 31 January 2012. **The Committee expects that the outstanding claims will be settled as soon as possible.**

18. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2011 to 30 June 2012, with reasons for variances (see annex). Expenditures for the period as at 31 January 2012 amounted to $127,791,680. At the end of the current financial period, the estimated total expenditures would amount to $137,247,156 against the appropriation of $137,532,000, leaving a projected unencumbered balance of $284,844.

Quick-impact projects

19. The Advisory Committee notes from the budget performance report that the expenditure under quick-impact projects for 2010/11 amounted to $646,800, compared with the appropriation of $1,000,000, which was due to the security situation in some regions where projects were planned (see A/66/608, para. 43). Upon enquiry, the Committee was informed that of the 31 projects approved for 2010/11, 10 were completed during the period, 11 were ongoing at the end of the period, 1 was cancelled, 3 were not implemented with funds being returned, and 6 could not be implemented owing to the security situation on the ground. For the period 2011/12, the Committee notes from the information provided to it that the Mission incurred an expenditure of $3,858, while there is no provision for any projects for the period. The Committee was informed upon enquiry that the amount related to a basic school project for which invoices were received late. **Taking into consideration the situation on the ground, the Advisory Committee commends the Mission for the quick-impact projects it carried out.**

IV. Conclusion

20. The action to be taken by the General Assembly in connection with the financing of UNMIS for the period from 1 July 2010 to 30 June 2011 is indicated in section V of the budget performance report (A/66/608). **The Advisory Committee recommends that the unencumbered balance of $9,249,900, as well as other income and adjustments in the amount of $29,213,700, be credited to Member States.**

Documentation

- Budget performance of the United Nations Mission in the Sudan for the period from 1 July 2010 to 30 June 2011 (A/66/608)
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2010 to 30 June 2011 (A/66/5 (Vol. II), chap. II)
- Report of the Advisory Committee on Administrative and Budgetary Questions on cross-cutting issues related to peacekeeping operations (A/66/718)
- Report of the Advisory Committee on Administrative and Budgetary Questions: Financial performance report for the period from 1 July 2008 to 30 June 2009 and proposed budget for the period from 1 July 2010 to 30 June 2011 of the United Nations Mission in the Sudan (A/64/660/Add.3)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financing arrangements for the United Nations Mission in the Sudan for the period from 1 July 2010 to 30 June 2011 (A/65/571)
- General Assembly resolutions 64/283 and 65/257 on the financing of the United Nations Mission in the Sudan
- Security Council resolutions 1590 (2005), 1919 (2010), 1978 (2011) and 1997 (2011)

Annex

Current and projected expenditures for the United Nations Mission in the Sudan for the period from 1 July 2011 to 30 June 2012

		1 July 2011 to 31 January 2012		*Projected 1 February to 30 June 2012*			
	Cost estimate	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance percentage*
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*
Military and police personnel							
Military observers	2 813 200	2 155 189	658 011	—	2 155 189	658 011	23.4
Military contingents	42 590 300	35 035 624	7 554 676	7 564 676	42 600 300	(10 000)	(0.0)
United Nations police	3 954 100	3 742 691	211 409	—	3 742 691	211 409	5.3
Formed police	—	—	—	—	—	—	—
Subtotal	**49 357 600**	**40 933 504**	**8 424 096**	**7 564 676**	**48 498 180**	**859 420**	**1.7**
Civilian personnel							
International staff	26 490 900	27 655 377	(1 164 477)	—	27 655 377	(1 164 477)	(4.4)
National staff	18 378 800	18 764 663	(385 863)	—	18 764 663	(385 863)	(2.1)
United Nations Volunteers	1 858 100	1 872 982	(14 882)	—	1 872 982	(14 882)	(0.8)
General temporary assistance	534 600	959 820	(425 220)	—	959 820	(425 220)	(79.5)
Subtotal	**47 262 400**	**49 252 842**	**(1 990 442)**	**—**	**49 252 842**	**(1 990 442)**	**(4.2)**
Operational costs							
Government-provided personnel	122 800	34 828	87 972	—	34 828	87 972	71.6
Civilian electoral observers	—	—	—	—	—	—	—
Consultants	—	93 346	(93 346)	—	93 346	(93 346)	(8.0)
Official travel	1 165 500	1 320 797	(155 297)	—	1 320 797	(155 297)	—
Facilities and infrastructure	8 918 900	6 483 587	2 435 313	580 500	7 064 087	1 854 813	20.8
Ground transportation	1 671 900	2 485 713	(813 813)	—	2 485 713	(813 813)	(48.7)
Air transportation	15 562 600	16 295 078	(732 478)	—	16 295 078	(732 478)	(4.7)
Naval transportation	8 900	5 077	3 823	—	5 077	3 823	43.0
Communications	1 573 000	1 766 266	(193 266)	505 000	2 271 266	(698 266)	(44.4)

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*			
	Cost estimate	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2011*	*Variance percentage*
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*
Information technology	736 200	859 482	(123 282)	—	859 482	(123 282)	(16.7)
Medical	958 400	284 206	674 194	415 000	699 206	259 194	27.0
Special equipment	568 100	570 300	(2 200)	390 300	960 600	(392 500)	(69.1)
Other supplies, services and equipment	9 625 700	7 402 795	2 222 905	—	7 402 795	2 222 905	23.1
Quick-impact projects	—	3 858	(3 858)	—	3 858	(3 858)	—
Subtotal	**40 912 000**	**37 605 334**	**3 306 666**	**1 890 800**	**39 496 134**	**1 415 866**	**3.5**
Gross requirements	**137 532 000**	**127 791 680**	**9 740 320**	**9 455 476**	**137 247 156**	**284 844**	**0.2**
Staff assessment income	3 477 700	—	3 477 700	—	—	3 477 700	100.0
Net requirements	**134 054 300**	**127 791 680**	**6 262 620**	**9 455 476**	**137 247 156**	**(3 192 856)**	**(2.4)**
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—
Total requirements	**137 532 000**	**127 791 680**	**9 740 320**	**9 455 476**	**137 247 156**	**284 844**	**0.2**

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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Financing of the United Nations Mission for the Referendum in Western Sahara

Budget performance for the period from 1 July 2010 to 30 June 2011 and proposed budget for the period from 1 July 2012 to 30 June 2013 of the United Nations Mission for the Referendum in Western Sahara

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2010/11	$57,130,500
Expenditure for 2010/11	$57,102,100
Unencumbered balance for 2010/11	$28,400
Appropriation for 2011/12	$61,449,400
Projected expenditure 2011/12[a]	$59,675,400
Estimated unencumbered balance for 2011/12[a]	$1,774,000
Proposal submitted by the Secretary-General for 2012/13	$58,715,200
Recommendation of the Advisory Committee for 2012/13	$58,239,200

[a] Estimates as at 31 January 2012 (see annex I).

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I. Introduction

1. **The recommendation of the Advisory Committee on Administrative and Budgetary Questions in paragraph 33 below would entail a reduction of $476,000 to the proposed budget for the United Nations Mission for the Referendum in Western Sahara (MINURSO) for the period from 1 July 2012 to 30 June 2013 (A/66/681).**

2. The report of the Advisory Committee on cross-cutting issues related to peacekeeping operations is contained in document A/66/718. In the present report, the Committee deals with resources and other items that relate specifically to MINURSO.

3. In considering the performance report of MINURSO for the period from 1 July 2010 to 30 June 2011 (A/66/573), the Advisory Committee has taken into account the information on the implementation of the recommendations of the Board of Auditors related to the Mission (A/65/5 (Vol. II), chap. II) as referred to in paragraph 41 below. In addition, the report of the Advisory Committee on the Board's report on the United Nations peacekeeping operations for the period ended 30 June 2011 (A/66/5 (Vol. II)) is contained in document A/66/719. **The Advisory Committee continues to stress the value of the findings of the Board of Auditors and reiterates the need for the implementation of the Board's recommendations within the time frames specified by the Secretary-General.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of MINURSO are listed at the end of the present report.

II. Budget performance for the period from 1 July 2010 to 30 June 2011

5. In its resolution 64/284, the General Assembly appropriated an amount of $57,130,500 gross ($54,722,400 net) for the maintenance of the Mission for the period from 1 July 2010 to 30 June 2011. Expenditures for the period totalled $57,102,100 gross ($54,417,400 net). The resulting unencumbered balance of $28,400, in gross terms, represents a 99.95 per cent implementation rate of resource utilization. An analysis of variances is provided in section IV of the performance report for the period from 1 July 2010 to 30 June 2011 (A/66/573).

6. The Advisory Committee notes from the budget performance report that a number of factors led to significant variances in resource requirements of the approved budget, which include additional requirements for civilian staff and air transportation that were accommodated through utilization of resources approved for activities mainly under operational costs (see A/66/573, paras. 16-18; see also paras. 8 and 24 below). Summary information on the redeployments of funds across groups is presented in section III.B and explained in paragraph 28 of the performance report.

7. The additional requirements were mainly attributable to (a) international staff ($908,200), owing primarily to an actual average vacancy rate of 8.3 per cent compared to the budgeted rate of 10 per cent, and higher-than-budgeted common staff costs; (b) national staff ($1,025,200), owing to an actual average vacancy rate

of 1.2 per cent compared to the 7 per cent rate reflected in the budget and a revised national staff salary scale that took effect on 1 October 2010, in addition to increased national staff grade levels as a result of a post classification exercise (see paras. 22 and 23 below); and (c) air transportation ($1,142,700), owing mainly to higher-than-budgeted contract costs for the rental and operation of fixed and rotary-wing aircraft, and higher aviation fuel costs.

8. The Secretary-General indicates that to fund the above-mentioned additional requirements under civilian personnel ($1,959,800) and air transportation ($1,142,700), the Mission deferred equipment acquisitions and construction projects to the 2011/12 budget period, which accounts for resource variances under facilities and infrastructure ($1,469,200), ground transportation ($1,344,000) and communications ($432,800). In addition, the Mission received equipment transferred from the United Nations Mission in the Central African Republic and Chad (MINURCAT) and the United Nations Mission in Nepal (UNMIN). Upon enquiry, the Advisory Committee was informed that the total value of assets transferred from MINURCAT to MINURSO amounted to $3.9 million, including assets related to communications, information technology, engineering, supply and transport. The Committee was also informed that the total value of assets transferred from UNMIN was $68,851.

9. The comments of the Advisory Committee on the information presented in the budget performance report (A/66/573) on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 June 2012 to 30 June 2013 in section IV below.

III. Information on performance for the current period

10. The Advisory Committee was informed that, as at 21 February 2012, a total of $900,813,000 had been assessed on Member States in respect of MINURSO since its inception. Payments received as at that date amounted to $847,624,000, leaving an outstanding balance of $53,189,000. The Committee was also informed that an estimated $268,299 was owed for troop-cost reimbursements (from March 2011 to January 2012) and $159,876 for contingent-owned equipment (from November 2010 to January 2012). The Advisory Committee was further informed upon enquiry that, because of insufficient cash being available in the special account for MINURSO, the Organization had not been in a position to reimburse the troop-contributing countries for these periods. In respect of death and disability compensation, $318,000 had been paid for 11 claims since the inception of the Mission, and there were no pending claims.

11. **The Advisory Committee notes with concern that the cash position of the Mission as at 21 February 2012 was $700,000, which, as in the previous years, does not cover the three-month operating cash reserve of $15,238,000 (a shortfall of $14,538,000). In addition, as at the same date, the Mission had an outstanding loan of $7.5 million borrowed from the Special Account for the United Nations Protection Force. The Committee also reiterates its concern at the persistent precariousness of the financial situation of MINURSO and its impact on timely reimbursements to troop-contributing countries (see A/65/743/Add.5, para. 10). The Committee recalls the repeated calls by the**

General Assembly for all Member States to pay their assessed contributions in full, on time and without conditions (see General Assembly resolution 65/293).[1]

12. The Advisory Committee was informed that, as at 31 January 2012, the incumbency for MINURSO for the period from 1 July 2011 to 30 June 2012 was as follows:

	Posts authorized[a]	*Posts encumbered*	*Vacancy rate (percentage)*
Military and police personnel			
Military observers	203	196	3
Military contingents	27	24	11
United Nations police	6	5	17
Civilian personnel			
International staff	102	102	—
National staff	170	164	4
General temporary assistance			
National staff	2	2	—
United Nations Volunteers	20	19	5

[a] Represents the highest authorized strength for the period.

13. The Advisory Committee was provided with a table showing current and projected expenditures for the period from 1 July 2011 to 30 June 2012, with reasons for variances (see annex I). Expenditures for the period as at 31 January 2012 amounted to $39,207,200. At the end of the current financial period, the estimated total expenditures would amount to $59,675,400 against the appropriation of $61,449,400, leaving a projected unencumbered balance of $1,774,000.

IV. Proposed budget for the period from 1 July 2012 to 30 June 2013

A. Mandate and planned results

14. The mandate of MINURSO was established by the Security Council in its resolution 690 (1991). The most recent extension of the mandate, to 30 April 2012, was authorized by the Council in its resolution 1979 (2011). The mandate, planning assumptions and mission support initiatives are explained in paragraphs 2 to 14 of the proposed budget (A/66/681). The Mission is mandated to help the Security Council achieve an overall objective, namely, a just, lasting and mutually acceptable political solution that will provide for the self-determination of the people of Western Sahara. MINURSO will continue to maintain its headquarters in Laayoune and nine team sites throughout Western Sahara, in addition to a liaison office in Tindouf, Algeria. The organization charts of the Mission are contained in annex II to the proposed budget.

[1] See also resolutions 64/243, 62/236, 56/253 and 54/249.

15. Information with respect to partnerships and country team coordination is provided in paragraph 15 of the proposed budget. It is indicated that MINURSO provides logistical support, on a cost-reimbursable basis, to the confidence-building measures programme conducted by the Office of the United Nations High Commissioner for Refugees, which arranges family visit exchanges between the area west of the berm and the refugee camps in Tindouf, Algeria. It is also indicated that the Mission will continue to work closely with other stakeholders in the mission area, including the African Union.

B. Resource requirements

16. The proposed budget for MINURSO for the period from 1 July 2012 to 30 June 2013 amounts to $58,715,200, representing a decrease of $2,734,200, or 4.4 per cent, in gross terms, compared with the appropriation of $61,449,400 for 2011/12. The Advisory Committee notes that, if the proposed budget amount is compared with the projected expenditures of $59,675,400 for 2011/12 (see para. 13 above), the proposed resource reduction for 2012/13 amounts to $960,200. The proposed reduction mainly reflects the reduced provisions for operational costs, partially offset by the increased requirements for civilian personnel. The financial resource requirements and an analysis of variances are provided in sections II and III of the proposed budget (A/66/681).

17. For the 2012/13 period, budgeted voluntary contributions in kind would amount to $3,046,816, comprising contributions from the Government of Morocco ($2,736,793), the Government of Algeria ($284,825) and the Frente Polisario ($25,198) (A/66/681, sect. II.A). Furthermore, non-budgeted contributions under the status-of-mission agreement, in respect of accommodation, are estimated at $1,476,000, comprised of contributions from the Government of Morocco ($1,394,000) and the Government of Algeria ($82,000) (A/66/681, sect. II.B). **The Advisory Committee notes the continued voluntary contributions with appreciation.**

18. The proposed budget for MINURSO for 2012/13 provides for the planned deployment of 203 military observers, 27 military contingent personnel, 6 United Nations police, 100 international staff, 174 national staff and 2 staff on temporary positions, 16 United Nations Volunteers and 10 Government-provided personnel.

1. Military and police personnel

Category	*Approved 2011/12*[a]	*Proposed 2012/13*[a]	*Variance*
Military observers	203	203	—
Military contingents	27	27	—
United Nations police	6	6	—

[a] Represents the highest authorized strength for the period.

19. The estimated requirements for military and police personnel for 2012/13 amount to $6,515,100, a decrease of $152,000, or 2.3 per cent, compared with the appropriation for 2011/12. The proposed decrease is mainly attributable to reduced provisions for rations for military observers owing to lower projected requirements,

as well as lower estimates for death and disability compensation as no claims have been submitted over the past four years (A/66/681, para. 41). A delayed deployment factor of 2 per cent is applied to military observers and no delayed deployment factors are applied to military contingents or the United Nations police.

2. Civilian personnel

Category	*Approved 2011/12*	*Proposed 2012/13*	*Variance*
International staff	102	100	(2)
National staff	170	174	4
Temporary positions	2	2	—
United Nations Volunteers	20	16	(4)
Total	**294**	**292**	**(2)**

20. The estimated requirements for civilian personnel for 2012/13 amount to $24,374,300, an increase of $1,815,300, or 8 per cent, compared with the appropriation for 2011/12. The cost estimates for civilian staff reflects vacancy factors of 2 per cent for international staff, 5 per cent for national General Service staff and 2 per cent for United Nations Volunteers. The vacancy rates proposed are explained in paragraph 31 of the proposed budget (A/66/681).

21. The increased requirements for 2012/13 are related mainly to (a) national staff ($1,593,200), primarily attributable to the revised national staff salary scale and the higher average grade levels of the national staff based on the results of the post classification exercise; and (b) international staff ($438,000), mainly attributable to the revised salary scale for international staff and the increase in common staff costs. The higher requirements are partially offset by the reduced requirements resulting from the decrease of United Nations Volunteer positions from 20 to 16.

Post classification exercise

22. The Advisory Committee notes that the increased average grade levels for national staff, based on the post classification exercise, was one of the factors contributing to the additional resource requirements and related redeployment of funds across groups for 2010/11 (see also para. 6 above). The Committee was informed, upon enquiry, that Field Service and national General Service posts at the Mission had never been classified and that a Headquarters monitoring mission to MINURSO in June 2009 had recognized that the duties and responsibilities they performed had evolved since the inception of the Mission in 1991. The Mission submitted the request for the classification in March 2010, The post classification exercise was conducted in March and April 2010 but approved in July 2010, and implementation of the upgrades was made retroactive from 1 April 2010. It was not possible to foresee the salary increase resulting from the classification exercise before July 2010, at which time the budget for 2010/11 was already approved. As a result, the Mission had to redeploy funds from other groups to meet the increased requirements under national staff for 2010/11.

23. Upon enquiry, the Advisory Committee was further informed that the effect of the classification on national staff salaries was partly captured in the 2011/12 budget, but the magnitude was fully known only later owing to seniority

requirements of staff for posts classified one level higher, recruitment procedures for the posts classified two levels higher and final review of the classification. For this reason, the 2012/13 budget reflects further increases in the average grade level of national posts arising from that same post classification exercise. **The Advisory Committee is of the view that the impact of post classifications on subsequent financial periods should be better explained in future budget proposals in order to improve transparency.**

24. **While the Advisory Committee understands that the Mission could not have foreseen the outcome of the post classification exercise, it is nonetheless of the view that these exercises should be planned to allow, to the extent possible, financial requirements arising from them to be aligned with the budget cycles to which they relate, in order to avoid redeployment of significant funds from other groups and consequent impact on planned activities**. The Advisory Committee deals in more details with the issue of redeployments of funds across groups in peacekeeping missions in the context of its general report on the administrative and budgetary aspects of the financing of peacekeeping operations (A/66/718).

Recommendations on posts

25. As indicated in the table above, the proposed staffing level for 2012/13 represents a decrease of two posts. A detailed description of the changes proposed under component 3, support, is provided in the Secretary-General's report on the proposed budget (A/66/681). A summary of the proposed changes in staffing is presented in annex II to the present report, which includes the following changes under the support component:

(a) Abolition of 1 United Nations Volunteer position (Communications and Information Technology Section) and 1 national General Service post (Engineering Section);

(b) Conversion to 5 national General Service posts (Finance, Aviation and Transport Sections) of 2 Field Service posts and 3 United Nations Volunteer positions;

(c) Redeployment of 6 national General Service posts within the support component.

The Advisory Committee welcomes the proposed conversion from international to national posts, which should contribute to national capacity-building. The Committee recommends approval of the staffing proposals of the Secretary-General.

3. Operational costs

(United States dollars)

Apportioned 2011/12	*Proposed 2012/13*	*Variance*
32 223 300	27 825 800	(4 397 500)

26. The estimated operational requirements for 2012/13 amount to $27,825,800, a decrease of $4,397,500, or 13.6 per cent, compared with the appropriation for 2011/12.

27. The decrease is attributable mainly to lower requirements under:

(a) Ground transportation ($2,498,800): non-inclusion of provisions for the acquisition of vehicles owing to the extension of the useful life of existing vehicles for another two years, as well as the reduced provisions for vehicle workshop tools and equipment owing to their acquisition during the 2011/12 period, partially offset by increased requirements for maintenance and repair of vehicles received from MINURCAT and a higher average cost per litre of diesel fuel;

(b) Facilities and infrastructure ($1,285,700): reduced provisions for acquisition of generators, accommodation and office equipment, which were received from MINURCAT, lower requirements for spare parts and supplies owing to stock availability and lower requirements for alteration and renovation services which are mostly carried out during the 2011/12 period, partially offset by the provision for the construction of a heavy vehicle transport workshop;

(c) Air transportation ($778,000): lower rental and operation cost owing to the reduction in the number of rotary-wing aircraft (see para. 30 below), partially offset by a higher requirement for the rental and operation of fixed-wing aircraft to reflect actual costs and the increase in the average cost per litre of aviation fuel to $1 from $0.762 in the current period;

(d) Communication ($290,200): deferral of replacement of communications infrastructure equipment through extension of its useful life;

(e) Information technology ($150,300): deferral of replacement of information technology infrastructure equipment through extension of its useful life.

28. The reduced requirements are partially offset by higher requirements under other supplies, services and equipment ($620,700), which are mainly attributable to increased provisions for mine detection and clearing services owing to the expansion of mine-clearing operations and the deployment of an additional heavy mechanical mine-clearing machine for more complex and subsurface mine clearance (see also para. 36 below).

Ratios for vehicles and computers

29. The Advisory Committee notes from the proposed budget for 2012/13 that the reduced provisions under operational costs would include a decrease of $1.2 million achieved through extension of the useful life of assets such as vehicles and communications and information technology equipment (A/66/681, paras. 10 and 29). The Committee also notes from the information provided to it that the Mission's ratios for holdings of vehicles and computers are, under most categories, above the standard ratios established for peacekeeping operations. Upon enquiry, the Committee was provided with some explanations for the higher ratios for vehicles and computers currently maintained at the Mission. **The Advisory Committee, nevertheless, recommends that MINURSO review its holdings for vehicles and information technology equipment and make necessary adjustments to the current high ratios when planning requirements for future budgets.** The Committee's further comments on this issue are reflected in the context of its report on cross-cutting issues (A/66/718).

Air transportation

30. It is indicated that for 2012/13, MINURSO will reduce its fleet of rotary-wing aircraft from three to two while continuing to operate three fixed-wing aircraft, resulting in efficiency gains of $4.2 million (A/66/681, p. 14 and paras. 10 and 29). The Advisory Committee notes that the reduction in the rotary-wing aircraft fleet took effect in May 2011 (A/66/573, p. 16). The Committee also notes that in the proposed budget, the rationale for removing one rotary-wing aircraft from the fleet is not clearly presented, nor is information provided on how the Mission would mitigate any adverse impact on mandate delivery. Upon enquiry, the Committee was informed that two helicopters were adequate for the Mission's operations and that steps taken to mitigate any adverse impact included an increase in air reconnaissance hours and a reduction in the number of hours flown on administrative and logistical tasks (see also para. 41 below). **The Advisory Committee recommends that in reviewing air asset requirements for all peacekeeping operations, full justifications for changes proposed should be provided in future budget proposals, including information on steps to be taken to mitigate any unintended consequences so that mandate delivery is not adversely affected.**

31. It is indicated in paragraph 49 of the proposed budget (A/66/681) that owing to the reduced number of helicopters in operation the projected requirement for aviation fuel for 2012/13 would decrease from 3.9 to 3.3 million litres. In this connection, the Advisory Committee notes from the budget performance report that for 2010/11, actual aviation fuel consumption was 3,295,811 litres for three fixed-wing and three rotary-wing aircraft (with the removal of one rotary-wing aircraft from the fleet in May 2011) (A/66/573, p. 16). The Advisory Committee was informed upon enquiry that from 1 July 2011 to 29 February 2012, the actual fuel consumption was 1,907,644 litres for three fixed-wing and two rotary-wing aircraft (an average monthly consumption of 238,455 litres, which would lead to a projected annual consumption of approximately 2,861,466 litres). The Committee was also informed that for 2012/13, aviation fuel supply of 3,337,848 litres was proposed for the Mission's air fleet of three fixed-wing and two rotary-wing aircraft.

32. The Advisory Committee also enquired about the flight hours of the Mission's rotary-wing aircraft and was informed that the budgeted annual flight hours were 2,760 for 2010/11 and 2,730 for 2011/12 for three helicopters, and 1,920 for 2012/13 for two helicopters. The Committee notes that although the total budgeted annual flight hours for helicopters would decrease from 2,730 for 2011/12 to 1,920 for 2012/13, taking into consideration the removal of one helicopter, the annual flight hours per helicopter would increase from 910 for 2011/12 to 960 for 2012/13. The Committee was also informed of the proposed annual increase of 90 flight hours for the three fixed-wing aircraft.

33. **Taking into account the reduction of one in the number of rotary-wing aircraft, the current air fuel consumption trend and the proposed minor scale of increase in flight hours, the Advisory Committee is of the view that the Mission's aviation fuel requirements for 2012/13 should be set at a level similar to the projected consumption for 2011/12, which would reduce the proposed fuel supply by 476,000 litres, resulting in a reduced requirement of $476,000 under air transportation for 2012/13.**

Efficiency gains

34. In addition to the proposed efficiency gains under air transportation and vehicles and equipment (see paras. 29 and 30 above), it is indicated in the proposed budget that a further gain of $60,000 could be achieved by consolidating supply functions through the establishment of an integrated and consolidated warehouse for engineering, communications and information technology assets. The consolidation will result in the proposed reduction of one national General Service post and one United Nations Volunteer position (A/66/681, para. 29). Upon enquiry, the Advisory Committee was informed that rather than physical construction, the virtual consolidation would be in terms of integration of staff, office space and processing and handling equipment, which would bring benefits such as (a) decreased distribution costs; (b) more efficient processing of requests; and (c) centralization of data input and asset inventory. **The Advisory Committee requests that efficiency gains achieved through the consolidation exercise be reflected in the performance report for 2012/13.**

Mine action

35. It is indicated in paragraph 11 of the performance report (A/66/573) that the Mission made significant progress in mine detection and clearance during the reporting period, destroying 33,000 explosive remnants of war, compared with the planning target of 3,000. Upon enquiry, the Advisory Committee was informed that the increased clearance productivity was technically achieved through the introduction of a new contract modality, the employment of one Operations/Quality Assurance Officer and the introduction of a new clearance technique. **The Advisory Committee welcomes the progress achieved by the Mission in mine detection and clearance activities and expects that lessons learned by MINURSO in this regard will be shared with other missions where appropriate.**

36. With respect to the actual and planned areas of land for mine clearance, the Advisory Committee notes that while the actual area of land cleared in 2010/11 was 8,422,225 m^2, the planned areas for 2011/12 and 2012/13 are 750,000 m^2 and 1,000,000 m^2, respectively (A/66/573, p. 10 and A/66/681, para. 37). Upon enquiry, the Committee was informed of the reasons for the lower target of 750,000 m^2 for 2011/12, compared with the actual achievement of 8,422,225 m^2 for 2010/11, and for the planned output of 1,000,000 m^2 for 2012/13. It was indicated that only five operational months of mine clearance were planned for 2011/12 owing to a lower level of funding, while 10 operational months were planned for 2012/13. However, as the terrain to be cleared for 2012/13 was more difficult, the area to be cleared did not directly relate to the increased number of operational months. The Committee notes from the proposed budget that during 2011/12, the Mission has transitioned from destruction of unexploded ordnance on the surface to a more complex and resource-intensive subsurface mine clearance.

Green technology project

37. The Advisory Committee notes from the budget performance report for 2010/11 that the planned installation of two wind-propelled power turbines was cancelled owing to the complex nature of the project (A/66/573, p. 15). Upon enquiry, the Committee was informed that there was lack of full operating knowledge of the system and trained staff to implement the project. The Committee

was further informed that the project would be reconsidered after proper technical investigations into issues related to wind data, installation, maintenance and training were conducted in the near future. **It is unclear to the Advisory Committee why the wind-propelled power turbines project was initially proposed without the full data and knowledge required for such projects. The Committee is of the view that budget proposals should be based on well-researched planning assumptions.**

Quick-impact projects

38. The Advisory Committee recalls that for the 2011/12 period, $50,000 was requested for two quick-impact projects for wells east of the berm to provide water to team sites and the local population, which was the first request for quick-impact projects by the Mission (A/65/743/Add.5, para. 33). Upon enquiry, the Committee was informed that approval for the projects was granted only recently by the local authorities and that the implementation of the projects was expected to start before mid-March 2012. The Advisory Committee observes that the information provided in the proposed budget indicates that the projects were implemented, which in fact is not an accurate reflection of the status of the projects. **The Advisory Committee once again encourages the Mission to ensure that the two quick-impact projects are implemented as soon as possible (see A/65/743/Add.5, para. 33).**

Training

39. Information with respect to the estimated requirements for training for 2012/13 is provided in paragraphs 33 to 35 of the proposed budget (A/66/681). The Advisory Committee notes from the table under paragraph 34 that the actual, planned and proposed numbers of international staff participating in external training are 33 for 2010/11, 29 for 2011/12 and 27 for 2012/13, compared with the total actual, budgeted and proposed number of international staff of 99, 102 and 100 for the corresponding periods. It therefore appears to the Advisory Committee that on average, each of the international staff of the Mission has an external training course once every three years.

40. The Advisory Committee sought justifications as to why it was necessary to provide international staff with external training courses so frequently and was informed that all external training activities conducted were to meet Mission requirements or to provide skills approved for particular positions and functions. The Advisory Committee deals in more detail with the issue of training in peacekeeping missions in the context of its report on cross-cutting issues (A/66/718).

Follow-up to the recommendations of the Board of Auditors

41. A summary of follow-up actions taken to implement the recommendations of the United Nations Board of Auditors is contained in section V.C of the proposed budget (A/66/681). With respect to the low flight occupancy rate of the Mission's AN-26 aircraft as identified by the Board, it is indicated therein that the Mission has taken corrective actions to maximize the occupancy rate of its flights by reconfiguring its fleet composition. In doing so, one aircraft was withdrawn and two AN-26 aircraft have been reconfigured to maximize both passenger and cargo transportation to and from the Mission's team sites. **The Advisory Committee is of**

the view that the Mission should continue to intensify its efforts to implement the recommendations of the Board of Auditors.

V. Conclusion

42. The action to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2010 to 30 June 2011 is indicated in section V of the budget performance report (A/66/573). **The Advisory Committee recommends that the unencumbered balance of $28,400, as well as other income and adjustments in the amount of $1,109,700, be credited to Member States.**

43. The action to be taken by the General Assembly in connection with the financing of MINURSO for the period from 1 July 2012 to 30 June 2013 is indicated in section IV of the proposed budget (A/66/681). **The Advisory Committee recommends that the General Assembly appropriate an amount of $58,239,200 for the maintenance of the Mission for the 12-month period from 1 July 2012 to 30 June 2013.**

Documentation

- Budget performance of the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2010 to 30 June 2011 (A/66/573)
- Budget for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2012 to 30 June 2013 (A/66/681)
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2010 to 30 June 2011 (A/66/5 (Vol. II), chap. II)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 of the United Nations Mission for the Referendum in Western Sahara (A/65/743/Add.5)
- General Assembly resolutions 64/284 and 65/304 on the financing of the United Nations Mission for the Referendum in Western Sahara
- Security Council resolutions 690 (1991) and 1979 (2011)

Annex I

Current and projected expenditures for the United Nations Mission for the Referendum in Western Sahara for the period from 1 July 2011 to 30 June 2012

(Thousands of United States dollars)

		1 July 2011 to 31 January 2012		*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2012*	*Variance percentage*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military observers	5 743.7	3 615.6	2 128.1	1 940.2	5 555.8	187.9	3.3	The unutilized balance is mainly due to the higher projected average vacancy rate of 3 per cent compared to the budgeted rate of 2 per cent.
Military contingents	757.9	544.3	213.6	232.3	776.6	(18.7)	(2.5)	The additional requirement is mainly due to higher cost of transportation of contingent personnel to their home country at the end of tour of duty.
United Nations police	165.5	55.1	110.4	73.6	128.7	36.8	22.2	The unutilized balance is mainly due to the projected average vacancy rate of 11 per cent, compared to the full deployment assumed in the budget.
Subtotal	**6 667.1**	**4 215.0**	**2 452.1**	**2 246.1**	**6 461.1**	**206.0**	**3.1**	
Civilian personnel								
International staff	17 649.6	11 313.6	6 336.0	7 949.0	19 262.6	(1 613.0)	(9.1)	The additional requirement is mainly due to the additional cost arising from the change in benefits and entitlements resulting from the implementation of the harmonization of conditions of service.

	1 July 2011 to 31 January 2012			*Projected 1 February to 30 June 2012*				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2012*	*Variance percentage*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
National staff	4 052.9	2 724.9	1 328.0	2 050.8	4 775.7	(722.8)	(17.8)	The additional requirement is mainly due to the reclassification of national staff posts to higher grades.
United Nations Volunteers	809.5	455.1	354.4	209.1	664.2	145.3	17.9	The unutilized balance is mainly due to the higher projected average vacancy rate of 7 per cent compared to the budgeted rate of 2 per cent.
General temporary assistance	47.0	36.1	10.9	23.1	59.2	(12.2)	(26.0)	The additional requirement is mainly due to the reclassification of national staff posts to higher grades.
Subtotal	**22 559.0**	**14 529.7**	**8 029.3**	**10 232.0**	**24 761.7**	**(2 202.7)**	**(9.8)**	
Operational costs								
Government-provided personnel	39.4	22.7	16.7	16.3	39.0	0.4	1.0	The unutilized balance is mainly due to lower requirements for monthly subsistence allowance payments resulting from approved absences outside the mission area.
Consultants	15.0	—	15.0	15.0	15.0	—	—	
Official travel	704.5	357.3	347.2	222.5	579.8	124.7	17.7	The unutilized balance is mainly due to official travel that could not take place as the relevant parties were not available.
Facilities and infrastructure	4 467.8	2 088.1	2 379.7	2 039.5	4 127.6	340.2	7.6	The unutilized balance is due to the cancellation of acquisition of water purification facilities and reduction in spare parts as well as lower actual requirements for self-sustainment.

	1 July 2011 to 31 January 2012			Projected 1 February to 30 June 2012				
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*	*Total expenditure including projected*	*Estimated unencumbered balance as at 30 June 2012*	*Variance percentage*	
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Ground transportation	3 609.3	639.7	2 969.6	1 392.2	2 031.9	1 577.4	43.7	The unutilized balance is mainly due to the receipt of vehicles from MINURCAT, resulting in reduced procurement.
Air transportation	17 046.7	12 261.1	4 785.6	3 134.7	15 395.8	1 650.9	9.7	The unutilized balance is mainly due to the termination of one helicopter contract in May 2011.
Communications	1 411.5	1 056.9	354.6	345.0	1 401.9	9.6	0.7	
Information technology	1 096.4	711.4	385.0	381.0	1 092.4	4.0	0.4	
Medical	157.8	110.2	47.6	87.0	197.2	(39.4)	(25.0)	The additional requirement is mainly due to actual medical evacuation costs for military personnel.
Other supplies, services and equipment	3 624.9	3 215.1	409.8	306.9	3 522.0	102.9	2.8	The unutilized balance is due to the cancellation of the acquisition of new air conditioners, as new hard-wall accommodations include air-conditioning units.
Quick-impact projects	50.0	—	50.0	50.0	50.0	—	—	
Subtotal	**32 223.3**	**20 462.5**	**11 760.8**	**7 990.1**	**28 452.6**	**3 770.7**	**11.7**	
Gross requirements	**61 449.4**	**39 207.2**	**22 242.2**	**20 468.2**	**59 675.4**	**1 774.0**	**2.9**	
Staff assessment income	2 761.3	1 618.0	1 143.3	1 143.3	2 761.3	—	—	
Net requirements	**58 688.1**	**37 589.2**	**21 098.9**	**19 324.9**	**56 914.1**	**1 774.0**	**3.0**	
Voluntary contributions in kind (budgeted)	1 769.9	516.8	1 253.1	1 253.1	1 769.9	—	—	
Total requirements	**63 219.3**	**39 724.0**	**23 495.3**	**21 721.3**	**61 445.3**	**1 774.0**	**2.8**	

Annex II

Summary of proposed changes in staffing for the United Nations Mission for the Referendum in Western Sahara for the 2012/13 period

Office/Section/Unit	*Number*	*Level*	*Description*
Component 3: support			
Finance Section			
	-1	FS	Conversion of a Finance Assistant post to a national General Service post
	+1	NGS	Establishment of a national General Service post by conversion of a Finance Assistant post
Subtotal	—		
Aviation Section			
	+3	NGS	Redeployment of one Warehouse Assistant post and one post from Communications and Information Technology Section and one Material and Assets Assistant post from Engineering Section
	+2	NGS	Establishment of two national General Service posts by conversion of two United Nations Volunteer positions (Administrative Assistant and Air Operation Assistant)
	-2	UNV	Conversion of one Administrative Assistant post and one Air Operation Assistant post to national General Service posts
Subtotal	**+3**		
Engineering Section			
	-1	NGS	Abolishment of a Material and Assets Assistant post
	-1	NGS	Redeployment of a Material and Assets Assistant post to Aviation Section
Subtotal	**-2**		
Communications and Information Technology Section			
	-5	NGS	Redeployment of one Warehouse Assistant post and one Telecommunications Assistant post to Aviation Section and three Material and Assets Assistant posts to Joint Logistics Operation Centre
	-1	UNV	Abolishment of a Telecommunications Assistant position
Subtotal	**-6**		
Transport Section			
	-1	FS	Conversion of an Inventory and Supply Assistant post to a national General Service post

Office/Section/Unit	*Number*	*Level*	*Description*
	+2	NGS	Establishment of two national General Service posts by conversion of an Inventory and Supply Assistant post and a Transport Assistant position
	-1	UNV	Conversion of a Transport Assistant position to a national General Service post
Subtotal	—		
Joint Logistics Operation Centre			
	+3	NGS	Redeployment of three Material and Assets Assistant posts from Communications and Information Technology Section
Total	**-2**		
International posts	-2		
National posts	+4		
United Nations Volunteers	-4		

Abbreviations: FS, Field Service; NGS, national General Service; UNV, United Nations Volunteer.

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Agenda item 158
Financing of the United Nations Interim Administration Mission in Kosovo

Budget performance for the period from 1 July 2010 to 30 June 2011 and proposed budget for the period from 1 July 2012 to 30 June 2013 of the United Nations Interim Administration Mission in Kosovo

Report of the Advisory Committee on Administrative and Budgetary Questions

Appropriation for 2010/11	$47,874,400
Expenditure for 2010/11	$47,867,000
Unencumbered balance for 2010/11	$7,400
Appropriation for 2011/12	$44,914,800
Projected expenditure for 2011/12[a]	$44,914,800
Estimated unencumbered balance for 2011/12[a]	—
Proposal submitted by the Secretary-General for 2012/13	$46,963,200
Recommendation of the Advisory Committee for 2012/13	$46,963,200

[a] Estimates as at 31 January 2012 (see annex I).

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I. Introduction

1. **The Advisory Committee on Administrative and Budgetary Questions recommends approval of the Secretary-General's proposals for the United Nations Interim Administration Mission in Kosovo (UNMIK) for the period from 1 July 2012 to 30 June 2013 (A/66/673). The Committee has made recommendations and observations on specific issues, where appropriate, in the paragraphs below.**

2. The report of the Advisory Committee on cross-cutting issues related to United Nations peacekeeping operations is contained in document A/66/718. In the present report, the Committee deals with resources and other items that relate specifically to UNMIK.

3. In considering the report of the Secretary-General on the budget performance of UNMIK for the period from 1 July 2010 to 30 June 2011 (A/66/577), the Advisory Committee has taken into account the recommendations of the Board of Auditors related to the Mission (see A/65/5 (Vol. II), chap. II), as referred to in paragraphs 36 and 37 below. In addition, the report of the Committee on the Board's report on the United Nations peacekeeping operations for the period ended 30 June 2011 is contained in document A/66/719. **The Advisory Committee continues to stress the value of the findings of the Board of Auditors, and reiterates the need for the implementation of its recommendations within the time frames specified by the Secretary-General.**

4. The documents reviewed and those used for background by the Advisory Committee in its consideration of the financing of UNMIK are listed at the end of the present report.

II. Financial performance report for the period from 1 July 2010 to 30 June 2011

5. In its resolution 64/279, the General Assembly appropriated an amount of $47,874,400 gross ($43,316,300 net) for the maintenance of the Mission for the period from 1 July 2010 to 30 June 2011. Expenditure for the period totalled $47,867,000 gross ($43,261,900 net). The resulting unencumbered balance of $7,400, in gross terms, represents 0.02 per cent of the appropriation. An analysis of variances is provided in section IV of the performance report for the period from 1 July 2010 to 30 June 2011 (A/66/577).

6. Key resource variances are realized in three expenditure classes, namely, international staff, national staff and other supplies, services and equipment.

7. The reduced requirements for international staff ($2,857,300) were attributable mainly to (a) the lower actual average post adjustment multiplier of 43.0 per cent as compared to the budgeted post adjustment multiplier of 51.4 per cent, which was the actual rate in January 2010 at the time of the budget preparation, (b) lower requirements for common staff costs resulting from the use of historical data which did not fully reflect the actual financial implications of the implementation of the new conditions of service for international staff as set out in General Assembly resolution 63/250 on human resources management and (c) the actual average

vacancy rate, which was 13.9 per cent as compared to the budgeted vacancy rate of 12 per cent (A/66/577, para. 30).

8. The increased requirements for national staff ($656,700) were attributable mainly to (a) the actual average salary level of the national General Service staffing establishment, which was higher than budgeted (level 5, step VI, as compared to the budgeted level 4, step VII), (b) the salary scale for national General Service staff, which increased by 6.7 per cent effective February 2011 on the basis of a salary survey, and (c) the actual average vacancy rate of 2.5 per cent, which was lower than the budgeted vacancy rate of 4.0 per cent (A/66/577, para. 31; see also A/65/743/Add.4, para. 7).

9. The increased requirements for other supplies, services and equipment ($1,001,600) were attributable mainly to the loss on exchange resulting from the settlement in euros of a socially owned enterprise claim for the rental costs of the Mission headquarters in Pristina. In addition, unplanned expenditures were incurred for the settlement of third-party claims related to injuries sustained during the demonstration on 10 February 2007 in Pristina and to cover additional requirements for medical services (A/66/577, para. 40).

10. The comments of the Advisory Committee on the information presented in the performance report on individual objects of expenditure can be found, where relevant, in the discussion of the proposed budget for the period from 1 July 2012 to 30 June 2013 in the paragraphs below.

III. Information on performance for the current period

11. The Advisory Committee was informed that as at 14 February 2012, a total of $2,846,619,000 had been assessed on Member States in respect of UNMIK since its inception. Payments received as at the same date amounted to $2,804,314,000, leaving an outstanding balance of $42,305,000. **The Advisory Committee notes with concern that the cash position of the Mission was $5,100,000 as at 13 February 2012, which does not cover the three-month operating cash reserve of $11,229,000 (a shortfall of $6,129,000). The Committee recalls that the General Assembly has consistently stressed that all Member States should fulfil their financial obligations as set out in the Charter of the United Nations on time, in full and without conditions (see resolutions 65/293, 64/243, 62/636, 56/253 and 54/249).**

12. The Advisory Committee was informed that there were two pending death and disability claims. **In this regard, the Committee encourages the Mission to settle the two pending death and disability claims as soon as possible.**

13. The Advisory Committee was also informed that as at 31 January 2012, the incumbency for UNMIK for the period from 1 July 2011 to 30 June 2012 was as follows:

	Authorized[a]	*Encumbered*[b]	*Vacancy rate (percentage)*
Military and police personnel			
Military observers	8	9	-12.5
United Nations police	8	7	12.5
Civilian personnel			
International staff	165	151	8.5
National staff	218	216	0.9
General temporary assistance			
National positions	1	1	0.0
United Nations Volunteers	28	25	10.7

[a] Represents the highest authorized strength for the period.

[b] The number of military observers was nine for three days only owing to the handover of duties to a newly arrived military observer.

14. The Advisory Committee was provided with a table showing current and projected expenditure for the period from 1 July 2011 to 30 June 2012, with reasons for variances (see annex I). Expenditure for the period as at 31 January 2012 amounted to $28,943,400. At the end of the current financial period, estimated total expenditure would amount to $44,914,800 against the appropriation of $44,914,800, leaving no projected unencumbered balance.

IV. Proposed budget for the period from 1 July 2012 to 30 June 2013

A. Mandate and planned results

15. The mandate of UNMIK was established by the Security Council in its resolution 1244 (1999). The mandate, planned results, planning assumptions and mission support initiatives are explained in paragraphs 2 to 13 of the proposed budget (A/66/673). The Secretary-General indicates in the performance report that UNMIK continued its second year of implementation of the mission support plan with the aim of achieving efficiency gains and reducing support costs, signing and implementing contracts for the outsourcing of security, cleaning and certain facility maintenance services, and initiating a pilot project for the outsourcing of vehicle maintenance services. The Mission also constructed a consolidated warehouse within the main headquarters compound in Pristina, which allowed it to consolidate the workshops and warehouses of the Supply, Engineering and Transport Sections and to vacate support premises (A/66/577, para. 15; see para. 30 below).

16. Information with respect to partnerships, country team coordination and integrated missions is provided in paragraphs 14 and 15 of the Secretary-General's report on the proposed budget. UNMIK will continue to coordinate and cooperate closely with the United Nations Kosovo team as part of the integrated mission planning process to maximize the collective impact of United Nations activities in Kosovo. It will continue to work with the European Union Rule of Law Mission in Kosovo at the technical level in the area of rule of law and with the Organization for

Security and Cooperation in Europe mission in Kosovo in the area of institution-building, and will maintain close liaison and cooperation with the Kosovo Force in the area of security and stability in the region.

17. Upon enquiry, the Advisory Committee was informed that there was no plan to reduce UNMIK activities with regard to the protection of minorities; rather, every effort was being made to enhance the effectiveness of the Mission's work in this area by strengthening cooperation and coordination with other stakeholders, and by developing more robust and proactive approaches to obtain better and faster results.

18. UNMIK has its headquarters in Pristina with field offices in Mitrovica and Peć, while the United Nations Office in Belgrade plays a political and diplomatic role. The Mission's liaison office in Skopje will be closed (see A/66/673, paras. 5 and 13; see also para. 31 below). The organization charts of the Mission are contained in annex II to the proposed budget.

B. Resource requirements

19. The proposed budget for UNMIK for the period from 1 July 2012 to 30 June 2013 amounts to $46,963,200, representing an increase of $2,048,400, or 4.6 per cent, in gross terms, compared to the appropriation of $44,914,800 for 2011/12. The Advisory Committee notes that if compared to the projected expenditures of $44,914,800 for 2011/12 (see para. 14 above), the proposed resource increase for 2012/13 would also amount to $2,048,400. It provides for the planned deployment of 8 military observers, 8 United Nations police officers, 161 international staff, 213 national staff, including 1 temporary national General Service staff, and 28 United Nations Volunteers.

20. The main factor in the higher resource requirements for 2012/13 ($1,548,500) is the 6.7 per cent increase of the national staff salary scale effective from February 2011, as well as the higher average national staff grade levels (General Service level 5, step IX, as compared to level 4, step VIII, applied in the 2011/12 budget) based on the actual average grade level and step of national staff as at 31 December 2011, offset in part by the net reduction of six national posts. An analysis of variances is provided in section III of the proposed budget.

1. Military and police personnel

Category	*Approved 2011/12*[a]	*Proposed 2012/13*	*Variance*
Military observers	8	8	—
United Nations police	8	8	—

[a] Represents the highest level of authorized/proposed strength.

21. The estimated requirements for military and police personnel for 2012/13 amount to $740,000, an increase of $8,700, or 1.2 per cent, compared to the appropriation for 2011/12.

2. Civilian personnel

Category	*Approved 2011/12*	*Proposed 2012/13*	*Variance*
International staff	165	161	(4)
National staff	218	212	(6)
Temporary positions	1	1	—
United Nations Volunteers	28	28	—
Total	**412**	**402**	**(10)**

22. The estimated requirements for civilian personnel for 2012/13 amount to $37,326,100, an increase of $2,137,100, or 6.1 per cent, compared to the appropriation for 2011/12. The cost estimates for civilian staff reflect vacancy factors of 10 per cent for international staff, 5 per cent for National Officers, 1 per cent for national General Service staff and 8 per cent for United Nations Volunteers (see A/66/673, para. 40).

23. The increased requirements for 2012/13 are attributable mainly to (a) national staff (see para. 20 above) and (b) the revised salary scale for international staff and provisions for travel costs of the rest and recuperation framework between Pristina and the designated place (Ljubljana, Slovenia) ($409,300).

24. The Secretary-General indicates in the proposed budget that the organizational structure of the Mission will largely remain the same except for the closure of the liaison office in Skopje, resulting in the abolishment of six posts (see para. 31 below). It is also proposed to reduce the staffing by an additional four posts and to reassign and reclassify three posts in order to optimize the operations of UNMIK in support of its mandate implementation, as outlined in the results-based-budgeting framework.

Recommendations on posts

25. A summary of the proposed changes in staffing is presented in annex II of the present report. A detailed description of the changes proposed under each component is provided in the Secretary-General's report on the proposed budget (see A/66/673, paras. 18 to 37). As indicated in the table above, the proposed staffing level represents a decrease of 10 posts. **Except for the specific recommendations in paragraphs 26 and 27 below, the Advisory Committee recommends approval of the proposed staffing changes of the Secretary-General.**

26. The Secretary-General proposes to reassign the post of Senior Political Affairs Officer (P-5) from the Office of Community Support and Facilitation to the Office of the Special Representative of the Secretary-General as Senior Coordination Officer, to enhance the Mission's integrated planning capacity and support the development of the mandate implementation risk assessment, as UNMIK does not have a joint mission analysis centre. The Senior Coordination Officer would develop procedures and a coordination mechanism to maximize synergies between the various UNMIK units, with a view to ensuring high-quality integrated analysis of potential threats and risks to mandate implementation, security and issues related to law and order. In addition, the incumbent would create mechanisms to monitor and

identify trends and ensure a well coordinated follow-up of incidents affecting minority communities. Upon enquiry, the Advisory Committee was informed that the post would be reassigned to the Office of the Chief of Staff within the Office of the Special Representative of the Secretary-General in order to reinstate the original structure of the office, which used to have a Deputy Chief of Staff post at the P-5 level. The Committee was further informed that the reassignment would not diminish the capacities of the Office of Community Support and Facilitation. **The Advisory Committee recalls that the Deputy Chief of Staff post at the P-5 level had previously been reassigned on the basis that it would no longer be needed when the roles of the Deputy Special Representative of the Secretary-General and the Chief of Staff were separated, and the Office of the Special Representative of the Secretary-General was strengthened (see A/65/743/Add.4, para. 31). The Committee is therefore not convinced that the post is required in the Office of the Chief of Staff. For these reasons, the Committee does not recommend approval of the reassignment.**

27. It is further proposed to reassign one Field Service post of Administrative Assistant from the support component of the Mitrovica Office, Office of the Chief of Mission Support, to the Office of the Chief of Technical Support Services, which comprises one post at the P-5 level, with no support posts. The Administrative Assistant would provide administrative and logistical support to the Chief, coordinating various reports and activities of the sections reporting to the Chief, and coordinating the activities of a centralized warehouse. In addition, the incumbent would coordinate communication between the technical service sections and other offices of the Mission, and perform other administrative tasks, including acting as secretary of UNMIK committees chaired by the Chief of Technical Support Services. Furthermore, the Administrative Assistant would serve as the designated Board of Inquiry focal point. **The Advisory Committee notes that while the Office of the Chief of Technical Support Services has no support posts, Technical Support Services has 20 Field Service posts and 55 national staff, in addition to other Professional-level staff and United Nations Volunteers (see A/66/673, table 3, 2011/12 approved posts). Given these capacities, the Committee is of the view that the functions of the Office of the Chief of Technical Support Services can be performed without the additional post. If the functions of the Field Service post in the Mitrovica Office of the Office of the Chief of Mission Support are no longer required, the Committee considers that the post should be abolished.**

3. Operational costs

Apportioned 2011/12	*Proposed 2012/13*	*Variance*
$8 994 500	$8 897 100	($97 400)

28. The estimated operational requirements for 2012/13 amount to $8,897,100, a decrease of $97,400, or 1.1 per cent, compared to the appropriation for 2011/12.

29. The decrease is attributable mainly to lower requirements under facilities and infrastructure ($263,500) owing to (a) the elimination of provisions for construction services, as no construction projects are planned in 2012/13, and (b) lower requirements for maintenance services and rental of office equipment as a result of the reduction of the anticipated cleaning services and photocopier leasing contractual costs. The overall reduced requirements are offset in part by increased

provisions for security services owing to the anticipated increase of the hourly cost of the contracted security guards by 18 per cent and the emplacement of three additional security guard posts, one each at two repeater sites and one at the residence of the Special Representative of the Secretary-General.

Other matters

Efficiency gains

30. It is indicated that efficiency gains will be achieved in the areas of ground transportation and information technology, as well as through the streamlining of support functions. With regard to ground transportation, as the outsourced vehicle maintenance contract includes a spare parts and service element, UNMIK will supply spare parts, which can be procured at lower cost through United Nations system contracts, to the contractor providing services. A reduction in fuel consumption from 400,000 litres budgeted for 2011/12 to 285,000 litres in 2012/13 will be achieved through a reduction in vehicle allocation. The streamlining of support functions will enable the support staff to be decreased by one Field Service post and three national General Service posts. Information technology initiatives include system consolidation processes, virtual technology and reduction of the number of computing devices in use. The Mission will also contain costs by deferring the acquisition of vehicles, purchasing air tickets at least two weeks in advance and closing its liaison office in Skopje. It will mitigate the environmental impact of its operational activities through the installation and maintenance of waste water treatment plants in Mitrovica and Pristina, and replace 40 security mercury lights with a solar lighting system at three repeater sites with the aim of reducing the use of generators in locations with high energy costs (A/66/673, paras. 9 and 10). **The Advisory Committee expects that efficiency gains from this and other initiatives will be reflected in future budget submissions.**

Liaison office in Skopje

31. The Secretary-General proposes to close the Mission's liaison office in Skopje, resulting in the abolishment of six posts, four from the liaison office and two from the Office of the Chief of Mission Support (see A/66/673, paras. 26 and 32). The functions performed by the Skopje office would be absorbed by the existing staff at Mission headquarters in Pristina. UNMIK would maintain political contacts with the authorities of the former Yugoslav Republic of Macedonia from Pristina, including visits when warranted, and would seek the assistance of the United Nations agencies in Skopje in this regard, if needed. Upon enquiry, the Advisory Committee was informed that the abolishment of six posts would result in a reduction of $492,800 on a full-cost basis and operational costs would be reduced by $99,000.

Ratios for information technology equipment

32. The Advisory Committee was informed that the Mission used a 1:1 ratio of computing devices per staff member. A total of 561 computing devices were in use, including 161 for international civilian staff, 213 for national staff, 20 for contractors and 20 for a dedicated training room. Upon enquiry, the Committee was informed that the 1:1 ratio was being established in accordance with the information technology recommendation for 2012/13 of the Department of Field Support. The Committee's comments on the ratio of computing devices are contained in its report

on cross-cutting issues related to United Nations peacekeeping operations (A/66/718).

Training

33. Information with regard to the estimated requirements for training for 2012/13 is provided in paragraphs 41 to 43 of the Secretary-General's report on the proposed budget. The training plan for 2012/13 is based on a training needs assessment for the substantive component, a firearms recertification and close protection programme for security personnel, and cross-training to facilitate career development and mobility in the support component. UNMIK will train 110 national staff in various disciplines in-house, using international and national staff who have been trained in the respective disciplines as trainers. Other training initiatives include training in International Public Sector Accounting Standards, management training, various training programmes in the communications and information technology area as well as online and train-the-trainer programmes. The staff in the consolidated warehouse and the Project Management Unit will receive training to meet the demands of the new supply chain management concept. The training plan will facilitate the streamlining of operations and work processes. The focus will be on internal training, with external training undertaken only when the training requirement cannot be met internally.

34. The Advisory Committee notes that the proposed number of participants for training for 2012/13 is 97 for international staff and 122 for national staff, representing an increase from the 2011/12 planned number of 64 for international staff and 56 for national staff. The Committee also notes that the increased requirements in official travel in 2010/11 ($377,200) were attributable to higher than anticipated official travel, including travel for training (A/66/577, paras. 33-35). **The Advisory Committee encourages the Mission to reduce travel for training where possible, including by conducting more training internally.**

35. The Advisory Committee deals with the issue of training in peacekeeping missions in the context of its report on cross-cutting issues related to United Nations peacekeeping operations (A/66/718).

Follow-up to the recommendations of the Board of Auditors

36. Section V.C of the proposed budget sets out the actions taken by the Mission to implement the requests/recommendations of the Board of Auditors. The Secretary-General's report indicates that with regard to non-expendable property, there were no discrepancies in physical verifications pending reconciliation. It is stated that UNMIK has implemented the recommendation relating to short bidding time frame, and procurement procedures are in full compliance with the provisions of the Procurement Manual. It has also implemented the recommendation relating to the monitoring and controlling of the liberty usage of vehicles.

37. With regard to expendable property, the Secretary-General's report states that at the end of 2010/11, the percentage of physically verified expendable items in stock was 86 per cent, the expendable count was at 89 per cent and within tolerance rates of the key performance indicator. It is further stated that efforts continue to be made to achieve the 100 per cent physical count target.

Office of Internal Oversight Services

38. Upon enquiry as to the recommendation of the Office of Internal Oversight Services on claims relating to UNMIK premises, the Advisory Committee was informed that the request for settlement of the one remaining premises-related claim had been approved on 13 February 2012.

V. Conclusion

39. The action to be taken by the General Assembly in connection with the financing of UNMIK for the period from 1 July 2010 to 30 June 2011 is indicated in section V of the performance report (A/66/577). **The Advisory Committee recommends that the unencumbered balance of $7,400 as well as other income and adjustments in the amount of $1,501,500 be credited to Member States.**

40. The action to be taken by the General Assembly in connection with the financing of UNMIK for the period from 1 July 2012 to 30 June 2013 is indicated in section IV of the proposed budget (A/66/673). **The Advisory Committee recommends that the General Assembly appropriate an amount of $46,963,200 for the maintenance of the Mission for the 12-month period from 1 July 2012 to 30 June 2013.**

Documentation

- Budget performance report on the budget of the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2010 to 30 June 2011 (A/66/577)
- Budget for the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2012 to 30 June 2013 (A/66/673)
- Report of the Secretary-General on the United Nations Interim Administration Mission in Kosovo (S/2012/72)
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2009 to 30 June 2010 (A/65/5 (Vol. II), chap. II)
- Report of the Board of Auditors on United Nations peacekeeping operations for the 12-month period from 1 July 2010 to 30 June 2011 (A/66/5 (Vol. II), chap. II)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the financial performance for the period from 1 July 2009 to 30 June 2010 and proposed budget for the period from 1 July 2011 to 30 June 2012 for the United Nations Interim Administration Mission in Kosovo (A/65/743/Add.4)
- General Assembly resolutions 64/279 and 65/300 on the financing of the United Nations Interim Administration Mission in Kosovo
- Security Council resolution 1244 (1999)

Annex I

Current and projected expenditures for the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2011 to 30 June 2012

(Thousands of United States dollars)

		1 July 2011 to 31 January 2012		*Projected 1 February to 30 June 2012*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
	Apportionment	*Total expenditure*	*Unencumbered balance*	*Expenditure*				
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Military and police personnel								
Military observers	361.7	203.4	158.3	145.8	349.2	12.5	3.5	
Military contingents	—	—	—	—	—	—	—	
United Nations police	369.6	176.9	192.7	119.0	295.9	73.7	19.9	The unencumbered balance is attributable to the lower cost of travel for employment, rotation and repatriation, and the deployment of 7 military observers from September 2011 to January 2012 as compared to the budgeted 8
Formed police units	—	—	—	—	—	—	—	
Subtotal	**731.3**	**380.3**	**351.0**	**264.8**	**645.1**	**86.2**	**11.8**	
Civilian personnel								
International staff	27 515.1	16 519.8	10 995.3	10 989.6	27 509.4	5.7	0.0	
National staff	6 504.5	4 698.6	1 805.6	2 996.4	7 695.3	(1 190.8)	(18.3)	The variance is attributable to the higher actual average grade level of national staff (GS-5, step IX, compared to the budgeted GS-4, step VIII), as well as a salary increase of 6.7 per cent for national General Service staff in Pristina and a lower than planned vacancy rate

	Apportionment	1 July 2011 to 31 January 2012: Total expenditure	1 July 2011 to 31 January 2012: Unencumbered balance	Projected 1 February to 30 June 2012: Expenditure	Total expenditure, including projected	Estimated unencumbered balance as at 30 June 2012	Variance (percentage)	Reasons for variance
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)÷(1)	
United Nations Volunteers	1 140.6	686.8	453.8	310.0	996.8	143.8	12.6	The unencumbered balance is attributable to the projected higher vacancy rate
General temporary assistance	28.8	17.6	11.2	11.4	29.0	(0.2)	(0.7)	
Subtotal	**35 189.0**	**21 923.1**	**13 265.9**	**14 307.4**	**36 230.5**	**(1 041.5)**	**(3.0)**	
Operational costs								
Government-provided personnel	—	—	—	—	—	—	—	
Civilian electoral observers	—	—	—	—	—	—	—	
Consultants	283.3	82.6	200.7	92.0	174.6	108.7	38.4	The unencumbered balance is attributable to the lower cost of training consultants compared to the budget provision and the lower cost of travel for the consultants on the Human Rights Advisory Panel
Official travel	627.6	304.7	322.9	285.0	589.7	37.9	6.0	The unencumbered balance is attributable to the lower cost of airline tickets following the Mission's initiative that no staff member travel on business class within Europe
Facilities and infrastructure	4 083.8	3 185.0	898.8	307.4	3 492.4	591.4	14.5	The unencumbered balance is attributable to the cancellation of some engineering projects to cover the additional requirements for national staff

	Apportionment	1 July 2011 to 31 January 2012: Total expenditure	1 July 2011 to 31 January 2012: Unencumbered balance	Projected 1 February to 30 June 2012: Expenditure	Total expenditure, including projected	Estimated unencumbered balance as at 30 June 2012	Variance (percentage)	Reasons for variance
	(1)	(2)	(3)=(1)-(2)	(4)	(5)=(2)+(4)	(6)=(1)-(5)	(7)=(6)÷(1)	
Ground transportation	706.2	489.5	216.7	109.3	598.8	107.4	15.2	The unencumbered balance is attributable to the cancellation of projects, such as postponement of the planned contract for heavy vehicles repair and maintenance, in order to cover the additional requirements for national staff
Air transportation	—	—	—	—	—	—	—	
Naval transportation	—	—	—	—	—	—	—	
Communications	1 572.0	1 011.5	560.5	286.0	1 297.5	274.5	17.5	The unencumbered balance is attributable to the partial cancellation of acquisition of communications equipment and spare parts to cover the additional requirements for national staff
Information technology	1 205.4	1 003.9	201.5	218.6	1 222.5	(17.1)	(1.4)	
Medical	131.0	58.6	72.4	69.8	128.4	2.6	2.0	
Special equipment	—	—	—	—	—	—	—	
Other supplies, services and equipment	385.2	504.2	(119.0)	31.1	535.3	(150.1)	(39.0)	The variance is attributable to requirements for individual contractors engaged to cover operational functions within the Mission
Quick-impact projects	—	—	—	—	—	—	—	
Subtotal	**8 994.5**	**6 640.0**	**2 354.5**	**1 399.2**	**8 039.2**	**955.3**	**10.6**	
Gross requirements	**44 914.8**	**28 943.4**	**15 971.4**	**15 971.4**	**44 914.8**	**—**	**—**	
Staff assessment income	4 381.3	2 773.3	—	1 694.0	4 467.3	(86.0)	(2.0)	
Net requirements	**40 533.5**	**26 170.1**	**15 971.4**	**14 277.4**	**40 447.5**	**86.0**	**0.2**	

	Apportionment	*1 July 2011 to 31 January 2012*		*Projected 1 February to 30 June 2012*	*Total expenditure, including projected*	*Estimated unencumbered balance as at 30 June 2012*	*Variance (percentage)*	
		Total expenditure	*Unencumbered balance*	*Expenditure*				
	(1)	*(2)*	*(3)=(1)-(2)*	*(4)*	*(5)=(2)+(4)*	*(6)=(1)-(5)*	*(7)=(6)÷(1)*	*Reasons for variance*
Voluntary contributions in kind (budgeted)	—	—	—	—	—	—	—	
Total requirements	**44 914.8**	**28 943.4**	**15 971.4**	**15 971.4**	**44 914.8**	**—**	**—**	

Annex II

Summary of proposed staffing changes for the United Nations Interim Administration Mission in Kosovo for the period from 1 July 2012 to 30 June 2013

Office/Section/Unit	*Number*	*Level*	*Description*
Executive direction and management			
Office of the Special Representative of the Secretary-General			
	+1	P-5	Senior Political Affairs Officer reassigned from the Office of Community Support and Facilitation
	-1	NGS	Administrative Assistant post abolished
Subtotal	**+0**		
Component 1: substantive			
Office of Community Support Facilitation			
	-1	P-5	Senior Political Affairs Officer reassigned to the Office of the Special Representative of the Secretary-General
	-1	P-2	Report Officer post abolished
	+1	NGS	Programme Assistant post established
Subtotal	**-1**		
United Nations Liaison Office in Skopje			
	-1	P-3	Political Affairs Officer post abolished
	-1	FS	Administrative Assistant post abolished
	-1	NGS	Administrative Assistant post abolished
	-1	NGS	Language Assistant post abolished
Subtotal	**-4**		
Component 2: support			
Office of the Chief of Mission Support			
	-1	FS	Information Technology Assistant post reassigned to the Office of the Chief of Technical Support Services
	+1	NO	Medical Doctor post reclassified from Medical Assistant post
	-1	NGS	Medical Assistant post reclassified to Medical Doctor post
	-1	NGS	Administrative Assistant post abolished
	-1	NGS	Driver post abolished
Subtotal	**-3**		

Office/Section/Unit	*Number*	*Level*	*Description*
Administrative Services			
	-1	NGS	Travel Assistant post abolished
Subtotal	**-1**		
Technical Support Services			
	-1	FS	Transport Assistant post abolished
	+1	FS	Administrative Assistant post reassigned from the Office of Chief of Mission Support
	-1	NGS	Vehicle Technician post abolished
Subtotal	**-1**		
Total			
International	-4		
National	-6		
United Nations Volunteers	—		
General temporary assistance	—		

Abbreviations: FS = Field Service; NGS = national General Service; NO = National Officer.